

AOF Business in a Global Economy

Course Scope and Sequence

Business in a Global Economy provides students with an understanding of how and why businesses choose to expand their operations into other countries. This course exposes students to the unique challenges facing firms doing business internationally—and to the potential opportunities and markets that are lost to firms that choose not to do business in the global marketplace. Building on concepts introduced in Principles of Finance, Business in a Global Economy broadens student understanding of how businesses operate and how they grow and thrive in our ever-changing world.

The course begins with an overview of globalization, including global factors compelling companies to expand into other markets to remain competitive. Students explore cultural, economic, and political differences that affect business operations and decision-making. They then learn the fundamentals of international trade, investment, and finance, including the role of international financial institutions such as the World Trade Organization, the International Monetary Fund, and the World Bank. Students study the business strategies that enable companies to compete effectively in a global economy. Finally, students explore international business as a potential career.

Students apply what they have learned to the culminating project, making a market-entry strategy recommendation for an automobile company looking to expand to the global marketplace. Working in strategy teams, students assess a specific country for the potential risks and benefits of doing business there. They then identify an appropriate target market in the country before recommending an appropriate marketing mix. Teams also identify potential ethical dilemmas the firm may encounter and recommend ways to address them. They present their market-entry strategy recommendations, along with a list of questions that must be answered before the expansion can proceed, in a PowerPoint presentation to a group of interested adults.

This course is expected to take a total of 74 50-minute class periods.

Unit 1: Getting Started

Lesson 1: Course Introduction

Estimated # of Class Periods: 2

Learning Objectives

- Identify the knowledge and skills demonstrated in a completed project artifact
- Infer the global business skills and knowledge needed to be successful in an authentic project
- Evaluate the importance of learning about global business terms of relevant professions
- Identify general global business terms with which to build a taxonomy

Lesson 2: Globalization Overview

Estimated # of Class Periods: 3

Learning Objectives

- Describe how globalization creates linkages between nations and businesses
- Describe how the process of globalization creates opportunities and challenges for businesses
- Summarize the sources of encouragement and suppression of globalization

- Evaluate the benefits and drawbacks of globalization

Unit 2: National Differences

Lesson 3: Cultural Factors

Estimated # of Class Periods: 5

Learning Objectives

- Define *culture* and explain its elements
- Explain how global business operations are affected by cultural differences
- Describe the risks inherent in cross-cultural business transactions
- Explain the importance of cross-cultural literacy for global business

Lesson 4: Political and Economic Systems

Estimated # of Class Periods: 7

Learning Objectives

- Demonstrate the ability to conduct a basic country risk analysis
- Describe the implications of national political, economic, and legal differences on global management practices
- Compare and contrast the world's dominant economic systems and how they integrate with global business
- Explain economic development and what determines it for nations
- Display an understanding of how a nation's economic development level relates to potential business opportunities and risks
- Explain recent changes in the global economy

Unit 3: International Trade and Investment

Lesson 5: International Trade

Estimated # of Class Periods: 5

Learning Objectives

- Explain the reasons countries trade with each other
- Display understanding of patterns of trade and relevance of major trading partners to international business
- Evaluate the impact of international trade on individual businesses and communities and propose solutions for minimizing any adverse effects

Lesson 6: Foreign Direct Investment

Estimated # of Class Periods: 2

Learning Objectives

- Define foreign direct investment (FDI) and its importance in the global economy
- Make generalizations about the impact of FDI on home and host countries
- Distinguish between horizontal and vertical FDI and explain the benefits and risks of each
- Describe how companies decide to make FDI

Unit 4: International Finance

Lesson 7: Foreign Exchange and International Financial Markets

Estimated # of Class Periods: 4

Learning Objectives

- Demonstrate the ability to perform currency conversions
- Describe the functions of the foreign exchange market
- Explain how currency exchange rates are determined
- Propose solutions to minimizing foreign exchange risk

Lesson 8: The International Monetary System

Estimated # of Class Periods: 5

Learning Objectives

- Explain how countries measure international transactions
- Describe key milestones in the development of the international monetary system
- Compare and contrast the roles played by the World Bank and the International Monetary Fund (IMF) in the international monetary system
- Deduce the implications of the global monetary system with regard to international business strategy
- Explain why international financial institutions are controversial

Unit 5: Competing in a Global Marketplace

Lesson 9: International Business Strategy

Estimated # of Class Periods: 9

Learning Objectives

- Compare and contrast marketing approaches in different countries
- Explain how firms can profit through global expansion
- Explain how pressures for cost reductions and local responsiveness influence business strategy
- Compare and contrast modes of entry into foreign markets
- Describe key strategies for competing globally, including their pros and cons

- Describe the decision-making process for companies considering expanding into new markets

Lesson 10: The Export Process

Estimated # of Class Periods: 6

Learning Objectives

- Summarize the advantages and common challenges of exporting
- Deduce the most favorable terms of payment for a business transaction
- Describe ways to improve export performance
- Identify export assistance sources

Lesson 11: Global Marketing

Estimated # of Class Periods: 9

Learning Objectives

- List and explain the reasons to vary product features, pricing, distribution strategy, advertising, and promotion to reach a specific target market
- Compare and contrast product standardization and localization marketing strategies
- Predict the impact of country factors on the four Ps of marketing

Lesson 12: Ethics in International Business

Estimated # of Class Periods: 3

Learning Objectives

- Describe ethical challenges unique to international business
- Evaluate ethical dilemma scenarios and characterize an appropriate course of action
- Describe the actions managers take to incorporate ethical considerations in decision making

Unit 6: Careers in International Business

Lesson 13: Working in International Business

Estimated # of Class Periods: 7

Learning Objectives

- Display understanding of potential employment opportunities in international business and the qualifications and skills they require
- Display understanding of the components of an effective job description
- Demonstrate the ability to conduct an effective interview with an international business professional

Lesson 14: Project Presentation and Course Closure

Estimated # of Class Periods: 7

Learning Objectives

- Demonstrate the ability to give a professional presentation
- Display understanding of the elements of an effective PowerPoint presentation
- Monitor personal success in learning about international business
- Summarize key learning across the project and the whole subject of international business