Department of Master of Business Administration

Course File

International Business

(Course Code: A92009)

I M.B.A II Semester

2023-24

Ch.Raghavendar Rao

Assoc. Professor

ANURAG

Anurag

ENGINEERING COLLEGE

(An Autonomous Institution)

Ananthagiri, Kodad, Telangana 508 206, India.

Department of Master of Business Administration

International Business
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ANURAG ENGINEERING COLLEGE

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A92009: International Business

Unit – I: Introduction to International Business: Need for International Business, Drivers of Globalization, Distinction between Domestic and International Business, International Business Approaches, Modes of International Business, Impediments in International Business, Opportunities and Challenges of International Business, Ease of Doing Business (World Bank), Multi National Corporation (MNCs), International Business Environment: Cultural, Political, Social and Technological Environment.

Unit – II: International Trade Theories: Classical Theories: Mercantilism, Absolute Advantage Theory, Comparative Advantage Theory and Factor Endowment Theory. Modern Theories: Country Similarity Theory, Product Life Cycle Theory, New Trade Cycle Theory and National Competitive Advantage Theory. India's Foreign Trade, Foreign Direct Investment in India, Balance of Payments.

Unit – III: International Business and Economic Integration: Levels of Economic Integration, Benefits and Challenges of Economic Integration, Free Trade Agreement (FTA), The Customs Union, The Common Market, The Economic Union. Arguments Surrounding Economic Integration, Regional Economic Groups: European Union, NAFTA, ASEAN, SAARC, QUAD and G8. Multilateral Trade Agreements: GAAT, WTO, TRIPS and TRIMS, UNCTAD. International Trade Policy of India.

Unit – IV: Strategy and Structure of International Business: Environmental Analysis, Value Chain Analysis, Types of Strategies, Strategy Implementation Process, Control and Evaluation, Strategic Alliances, Nature, Benefits, Pitfalls of Strategic Alliances, Scope of Strategic Alliance, Alliance Development Process, Economic Considerations for Strategic Alliances. Choosing an Organizational Design Structure, Issues in Global Organizational Design.

Unit – V: International Business Operations: Issues involving International Production: Sourcing and Vertical Integration. Major Activities in International Marketing: Brand Decisions. Issues of International Financial management: Forex Market, International Monetary System, International Financial Markets, Export Financing. Managing International HR Activities: HR Planning, Recruitment and selection, Expatriate Selection and Training. Cross Cultural Issues in International Business

- Charles W. L Hill, G. Thomas M Hult, Rohit Mehtani, International Business, Mc Graw Hill,11e, 2019.
- Ehud Menipaz, Amit Menipaz and Shiv S Tripathi, International Business – Theory and Practice,Sage Publishers, 1e, 2017.
- Michael R. Czinkota, Ilkka A. Ronkainen, Michael H. Moffett, International Business, Wiley,8e,2011.
- K Ashwatappa, International Business, Mc Graw Hill, 6e,2015.
- Sanjay Misra, P.K. Yadav, International Business: Text & Cases, PHI,2009.
- Rakesh Mohanh Joshi, International Business, Oxford University Press, 2009.
- Subba Rao,International Business, Himalaya Publications,2007

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Timetable

I M.B.A. II Semester – IB

Day/Hour	9.30-10.20	10.20-11.10	11.20-12.10	12.10-01.00	01.40-02.25	2.25-3.10	3.15-4.00
Monday					IB		
Tuesday					IB		
Wednesday					IB		
Thursday			IB				
Friday							
Saturday				IB			

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Vision of the Institute

To be a premier Institute in the country and region for the study of Engineering, Technology and Management by maintaining high academic standards which promotes the analytical thinking and independent judgment among the prime stakeholders, enabling them to function responsibly in the globalized society.

Mission of the Institute

To be a world-class Institute, achieving excellence in teaching, research and consultancy in cutting-edge Technologies and be in the service of society in promoting continued education in Engineering, Technology and Management.

Quality Policy

To ensure high standards in imparting professional education by providing world-class inInternational Businessstructure, top-quality-faculty and decent work culture to sculpt the students into Socially Responsible Professionals through creative team-work, innovation and research.

Vision of the Department:

To achieve academic excellence and managerial relevance through interaction with the corporate world.

Mission of the Department

To provide students with excellent professional skills by cooperating closely with corporate partners and by exposing them to a dynamic and intercultural business environment.

Quality Policy:

To pursue global standards of excellence in all our endeavors namely teaching, research, consultancy and continuing education to remain accountable in our core and support functions through processes of self-evaluation and continuous improvement.

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Program Educational Objectives (M.BA)

Post Graduates will be able to

PEO1: To teach the fundamental key elements of a business organization and providing theoretical knowledge and practical approach to various functional areas of management.

PEO2: To develop analytical skills to identify the link between the management practices in the functional areas of an organization and research culture in business environment.

PEO3: To provide insights on latest technology, business communication, management concepts to build team work and leadership skills within them and aimed at self- actualization and realization of ethical practices.

Program Outcomes (M.B.A)

At the end of the Program, a post graduate will have the ability to

Po 1: To Gain The Knowledge On Various Concepts Of Business Management And Approaches.

Po 2: To understand and analyze the interconnections between the development of key functional areas of business organization and the management thought process.

Po 3: To recognize and adapt to the opportunities available and face the challenges in the national and global business.

Po 4: To possess analytical skills to carry out research in the field of management.

Po 5: To acquire team management skills to become a competent leader, who possesses complex and integrated real world skills.

Po 6: To be ethically conscious and socially responsible managers, capable of contributing to the development of the nation and quality of life.

Po 7: To develop a systematic understanding of changes in business environment.

Po 8: To understand professional integrity.

Po 9: An ability to use information and knowledge effectively.

Po 10: To analyze a problem and use the appropriate managerial skills for obtaining its solution.

Po 11: To understand a various legal acts in business.

Po 12: To build a successful career and immediate placement

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COURSE OBJECTIVES

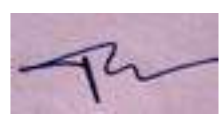
On completion of this Subject/Course the student shall be able to:

S.No.	Objectives
1	To highlight the need and importance of studying International Business and provide understanding of the concepts associated with International Business
2	To impart knowledge of Classical and Modern International Trade Theories.
3	To educate on the aspects of Business, Economic and Regional Integration and MultilateralTrade Agreements
4	To elucidate on the elements of Strategy & Structure in International Business
5	To highlight the role played by various Functional Areas of Business in International BusinessOperations

COURSE OUTCOMES

The expected outcomes of the Course/Subject are:

S.No.	Outcomes
1.	Understand the Concepts, Principles and Approaches of International Business.
2.	Learn the evolution of International Trade thought process with the help of classical and modern theories of International Trade.
3.	Gain insights of the aspects of Business and Economic Integration with the help of various Regional Economic Integrations and Multilateral Trade Agreements.
4.	Understand the Strategy and Structure of International Business with the help of Value Chain Analysis, Environmental Scanning, Strategic Alliances.
5.	Gain knowledge of the contribution of major functional areas of business viz. Production, Finance, Marketing and HRM in International Business Operations



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Note: Please refer to Bloom's Taxonomy, to know the illustrative verbs that can be used to state the outcomes.

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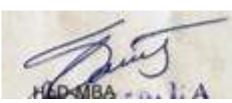
GUIDELINES TO STUDY THE COURSE / SUBJECT

Course Design and Delivery System (CDD):

- The Course syllabus is written into number of learning objectives and outcomes.
- Every student will be given an assessment plan, criteria for assessment, scheme of evaluation and grading method.
- The Learning Process will be carried out through assessments of Knowledge, Skills and Attitude by various methods and the students will be given guidance to refer to the text books, reference books, journals, etc.

The faculty be able to –

- Understand the principles of Learning
- Understand the psychology of students
- Develop instructional objectives for a given topic
- Prepare course, unit and lesson plans
- Understand different methods of teaching and learning
- Use appropriate teaching and learning aids
- Plan and deliver lectures effectively
- Provide feedback to students using various methods of Assessments and tools of Evaluation
- Act as a guide, advisor, counselor, facilitator, motivator and not just as a teacher alone



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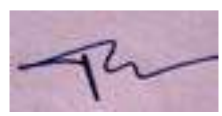

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Date:

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COURSE SCHEDULE

The Schedule for the whole Course / Subject is:

S. No.	Description	Duration (Date) From	Duration (Date) To	Total No. of Periods
1.	**Unit – I: Introduction to International Business**: Need for International Business, Drivers of Globalization, Distinction between Domestic and International Business, International Business Approaches, Modes of International Business, Impediments in International Business, Opportunities and Challenges of International Business, Ease of Doing Business (World Bank), Multi National Corporation (MNCs), International Business Environment: Cultural, Political, Social and Technological Environment	06-03-2024	23-03-2024	12
2.	**Unit – II: International Trade Theories:** Classical Theories: Mercantilism, Absolute Advantage Theory, Comparative Advantage Theory and Factor Endowment Theory. Modern Theories: Country Similarity Theory, Product Life Cycle Theory, New Trade Cycle Theory and National Competitive Advantage Theory. India's Foreign Trade, Foreign Direct Investment in India, Balance of Payments	26-03-2024	16-04-2024	13
3.	**Unit – III: International Business and Economic Integration:** Levels of Economic Integration, Benefits and Challenges of Economic Integration, Free Trade Agreement (FTA), The Customs Union, The Common Market, The Economic Union. Arguments Surrounding Economic Integration, Regional Economic Groups: European Union, NAFTA, ASEAN, SAARC, QUAD and G8. Multilateral Trade Agreements: GAAT, WTO, TRIPS and TRIMS, UNCTAD. International Trade Policy of India.	18-04-2024	20-05-2024	19
4.	**Unit – IV: Strategy and Structure of International Business:** Environmental Analysis, Value Chain Analysis, Types of Strategies, Strategy Implementation Process, Control and Evaluation, Strategic Alliances, Nature, Benefits, Pitfalls of Strategic Alliances, Scope of Strategic Alliance, Alliance Development Process, Economic Considerations for Strategic Alliances. Choosing an Organizational Design Structure, Issues in Global Organizational Design	21-05-2024	20-06-2024	10

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5.	**Unit – V: International Business Operations:** Issues involving International Production: Sourcing and Vertical Integration. Major Activities in International Marketing: Brand Decisions. Issues of International Financial management: Forex Market, International Monetary System, International Financial Markets, Export Financing. Managing International HR Activities: HR Planning, Recruitment and selection, Expatriate Selection and Training. Cross Cultural Issues in International Business.	22-06-2024	11-07-2024	15

Total No. of Instructional periods available for the course: 69 Hours

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SCHEDULE OF INSTRUCTIONS - COURSE PLAN

Unit No.	Lesson No.	Date	No. of Periods	Topics / Sub-Topics	Objectives & Outcomes Nos.	References (Textbook, Journal)
1.	1	6-Mar-24	1	Unit-I: Introduction Session towards Syllabus	1 1	Charles W. L Hill, G. Thomas M Hult, Rohit Mehtani, International Business, Mc Graw Hill,11e, 2019.
	2	7-Mar-24	1	Need for International Business	1 1	Charles W. L Hill, G. Thomas M Hult, Rohit Mehtani, International Business, Mc Graw Hill,11e, 2019.
	3	11-Mar-24	1	Drivers of Globalization	1 1	Charles W. L Hill, G. Thomas M Hult, Rohit Mehtani, International Business, Mc Graw Hill,11e, 2019.
	4	12-Mar-24	1	Distinction between Domestic and International Business	1 1	Charles W. L Hill, G. Thomas M Hult, Rohit Mehtani, International Business, Mc Graw Hill,11e, 2019.
	5	13-Mar-24	1	International Business Approaches	1 1	Charles W. L Hill, G. Thomas M Hult, Rohit Mehtani, International Business, Mc Graw Hill,11e, 2019.
	6	14-Mar-24	1	Modes of International Business	1 1	Charles W. L Hill, G. Thomas M Hult, Rohit Mehtani, International Business, Mc Graw Hill,11e, 2019.
	7	16-Mar-24	1	Impediments in International	1	Charles W. L Hill, G. Thomas M Hult,

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				Business	1	Rohit Mehtani, International Business, Mc Graw Hill,11e, 2019.
	8	18-Mar-24	1	Opportunities of International Business	1 1	Charles W. L Hill, G. Thomas M Hult, Rohit Mehtani, International Business, Mc Graw Hill,11e, 2019.
	9	19-Mar-24	1	Challenges of International Business	1 1	Charles W. L Hill, G. Thomas M Hult, Rohit Mehtani, International Business, Mc Graw Hill,11e, 2019.
	10	20-Mar-24	1	Ease of Doing Business (World Bank)	1 1	Charles W. L Hill, G. Thomas M Hult, Rohit Mehtani, International Business, Mc Graw Hill,11e, 2019.
	11	21-Mar-24	1	Multi National Corporation (MNCs)	1 1	Charles W. L Hill, G. Thomas M Hult, Rohit Mehtani, International Business, Mc Graw Hill,11e, 2019.
	12	23-Mar-24	1	International Business Environment: Cultural, Political, Social and Technological Environment	1 1	Charles W. L Hill, G. Thomas M Hult, Rohit Mehtani, International Business, Mc Graw Hill,11e, 2019.
2.	1	26-Mar-24	1	Unit – II: Introduction to International Trade Theories	2 2	Charles W. L Hill, G. Thomas M Hult, Rohit Mehtani, International Business, Mc Graw Hill,11e, 2019.
	2	27-Mar-24	1	Classical Theories- Mercantilism	2 2	Charles W. L Hill, G. Thomas M Hult, Rohit Mehtani, International

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						Business, Mc Graw Hill,11e, 2019.
	3	28-Mar-24	1	Absolute Advantage Theory	2 2	Charles W. L Hill, G. Thomas M Hult, Rohit Mehtani, International Business, Mc Graw Hill,11e, 2019.
	4	30-Mar-24	1	Comparative Advantage Theory	2 2	Charles W. L Hill, G. Thomas M Hult, Rohit Mehtani, International Business, Mc Graw Hill,11e, 2019.
	5	1-Apr-24	1	Factor Endowment Theory	2 2	Charles W. L Hill, G. Thomas M Hult, Rohit Mehtani, International Business, Mc Graw Hill,11e, 2019.
	6	2-Apr-24	1	Modern Theories-Country Similarity Theory	2 2	Charles W. L Hill, G. Thomas M Hult, Rohit Mehtani, International Business, Mc Graw Hill,11e, 2019.
	7	3-Apr-24	1	Product Life Cycle Theory	2 2	Charles W. L Hill, G. Thomas M Hult, Rohit Mehtani, International Business, Mc Graw Hill,11e, 2019.
	8	4-Apr-24	1	New Trade Cycle Theory	2 2	Charles W. L Hill, G. Thomas M Hult, Rohit Mehtani, International Business, Mc Graw Hill,11e, 2019.
	9	6-Apr-24	1	National Competitive Advantage Theory	2 2	Charles W. L Hill, G. Thomas M Hult, Rohit Mehtani, International Business, Mc Graw

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						Hill,11e, 2019.
	10	8-Apr-24	1	India’s Foreign Trade	2 2	Charles W. L Hill, G. Thomas M Hult, Rohit Mehtani, International Business, Mc Graw Hill,11e, 2019.
	11	10-Apr-24	1	Foreign Direct Investment in India	2 2	Charles W. L Hill, G. Thomas M Hult, Rohit Mehtani, International Business, Mc Graw Hill,11e, 2019.
	12	15-Apr-24	1	Balance of Payments.	2 2	Charles W. L Hill, G. Thomas M Hult, Rohit Mehtani, International Business, Mc Graw Hill,11e, 2019.
	13	16-Apr-24	1	Balance of Payments.	2 2	Charles W. L Hill, G. Thomas M Hult, Rohit Mehtani, International Business, Mc Graw Hill,11e, 2019.
3.	1	18-Apr-24	1	Unit – III: Introduction to International Business and Economic Integration	3 3	Charles W. L Hill, G. Thomas M Hult, Rohit Mehtani, International Business, Mc Graw Hill,11e, 2019.
	2	20-Apr-24	1	Levels of Economic Integration	3 3	Charles W. L Hill, G. Thomas M Hult, Rohit Mehtani, International Business, Mc Graw Hill,11e, 2019.
	3	22-Apr-24	1	Benefits and Challenges of Economic Integration	3 3	Charles W. L Hill, G. Thomas M Hult, Rohit Mehtani, International Business, Mc Graw Hill,11e, 2019.

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	4	23-Apr-24	1	Free Trade Agreement (FTA)	3 3	Charles W. L Hill, G. Thomas M Hult, Rohit Mehtani, International Business, Mc Graw Hill,11e, 2019.
	5	24-Apr-24	1	The Customs Union	3 3	Charles W. L Hill, G. Thomas M Hult, Rohit Mehtani, International Business, Mc Graw Hill,11e, 2019.
	6	25-Apr-24	1	The Common Marke	3 3	Charles W. L Hill, G. Thomas M Hult, Rohit Mehtani, International Business, Mc Graw Hill,11e, 2019.
	7	27-Apr-24	1	The Economic Union	3 3	Charles W. L Hill, G. Thomas M Hult, Rohit Mehtani, International Business, Mc Graw Hill,11e, 2019.
	8	29-Apr-24	1	Arguments Surrounding Economic Integration	3 3	Charles W. L Hill, G. Thomas M Hult, Rohit Mehtani, International Business, Mc Graw Hill,11e, 2019.
	9	30-Apr-24	1	Regional Economic Groups-European Union	3 3	Charles W. L Hill, G. Thomas M Hult, Rohit Mehtani, International Business, Mc Graw Hill,11e, 2019.
	10	6-May-24	1	North American Free Trade Agreement(NAFTA)	3 3	Charles W. L Hill, G. Thomas M Hult, Rohit Mehtani, International Business, Mc Graw Hill,11e, 2019.
	11	7-May-24	1	The Association of Southeast	3 3	Charles W. L Hill, G. Thomas M Hult,

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				Asian Nations, or ASEAN		Rohit Mehtani, International Business, Mc Graw Hill,11e, 2019.
	12	8-May-24	1	South Asian Association for Regional Cooperation Association of Southeast Asian Nations(SAARC)	3 3	Charles W. L Hill, G. Thomas M Hult, Rohit Mehtani, International Business, Mc Graw Hill,11e, 2019.
	13	9-May-24	1	QUAD	3 3	Charles W. L Hill, G. Thomas M Hult, Rohit Mehtani, International Business, Mc Graw Hill,11e, 2019.
	14	13-May-24	1	G8-The Group of Eight	3 3	Charles W. L Hill, G. Thomas M Hult, Rohit Mehtani, International Business, Mc Graw Hill,11e, 2019.
	15	14-May-24	1	Multilateral Trade Agreements: The General Agreement on Tariffs and Trade	3 3	Charles W. L Hill, G. Thomas M Hult, Rohit Mehtani, International Business, Mc Graw Hill,11e, 2019.
	16	15-May-24	1	WTO	3 3	Charles W. L Hill, G. Thomas M Hult, Rohit Mehtani, International Business, Mc Graw Hill,11e, 2019.
	17	16-May-24	1	TRIPS and TRIMS	3 3	Charles W. L Hill, G. Thomas M Hult, Rohit Mehtani, International Business, Mc Graw Hill,11e, 2019.
	18	18-May-24	1	United Nations Conference on Trade and	3 3	Charles W. L Hill, G. Thomas M Hult, Rohit Mehtani, International

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				Development(UNCTAD)		Business, Mc Graw Hill,11e, 2019.
	19	20-May-24	1	International Trade Policy of India	3 3	Charles W. L Hill, G. Thomas M Hult, Rohit Mehtani, International Business, Mc Graw Hill,11e, 2019.
4	1	21-May-24	1	Unit – IV: Strategy and Structure of International Business: Environmental Analysis	4 4	Charles W. L Hill, G. Thomas M Hult, Rohit Mehtani, International Business, Mc Graw Hill,11e, 2019.
	2	22-May-24	1	Types of Strategies	4 4	Charles W. L Hill, G. Thomas M Hult, Rohit Mehtani, International Business, Mc Graw Hill,11e, 2019.
	3	10-Jun-24	1	Strategy Implementation Process	4 4	Charles W. L Hill, G. Thomas M Hult, Rohit Mehtani, International Business, Mc Graw Hill,11e, 2019.
	4	11-Jun-24	1	Strategy Control and Evaluation	4 4	Charles W. L Hill, G. Thomas M Hult, Rohit Mehtani, International Business, Mc Graw Hill,11e, 2019.
	5	12-Jun-24	1	Strategic Alliances, Nature, Benefits	4 4	Charles W. L Hill, G. Thomas M Hult, Rohit Mehtani, International Business, Mc Graw Hill,11e, 2019.
	6	13-Jun-24	1	Pitfalls of Strategic Alliances	4 4	Charles W. L Hill, G. Thomas M Hult, Rohit Mehtani, International Business, Mc Graw

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						Hill,11e, 2019.
	7	15-Jun-24	1	Scope of Strategic Alliance, Alliance Development Process,	4 4	Charles W. L Hill, G. Thomas M Hult, Rohit Mehtani, International Business, Mc Graw Hill,11e, 2019.
	8	18-Jun-24	1	Economic Considerations for Strategic Alliances	4 4	Charles W. L Hill, G. Thomas M Hult, Rohit Mehtani, International Business, Mc Graw Hill,11e, 2019.
	9	19-Jun-24	1	Choosing an Organizational Design Structure	4 4	Charles W. L Hill, G. Thomas M Hult, Rohit Mehtani, International Business, Mc Graw Hill,11e, 2019.
	10	20-Jun-24	1	Issues in Global Organizational Design	4 4	Charles W. L Hill, G. Thomas M Hult, Rohit Mehtani, International Business, Mc Graw Hill,11e, 2019.
5	1	22-Jun-24	1	Unit – V: International Business Operations: Issues involving International Production	5 5	Charles W. L Hill, G. Thomas M Hult, Rohit Mehtani, International Business, Mc Graw Hill,11e, 2019.
	2	24-Jun-24	1	Sourcing andVertical Integration	5 5	Charles W. L Hill, G. Thomas M Hult, Rohit Mehtani, International Business, Mc Graw Hill,11e, 2019.
	3	25-Jun-24	1	Major Activities in International Marketing	5 5	Charles W. L Hill, G. Thomas M Hult, Rohit Mehtani, International Business, Mc Graw Hill,11e, 2019.

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	4	26-Jun-24	1	Brand Decisions	5 5	Charles W. L Hill, G. Thomas M Hult, Rohit Mehtani, International Business, Mc Graw Hill,11e, 2019.
	5	27-Jun-24	1	Issues of International Financial management: Forex Market	5 5	Charles W. L Hill, G. Thomas M Hult, Rohit Mehtani, International Business, Mc Graw Hill,11e, 2019.
	6	29-Jun-24	1	International Monetary System	5 5	Charles W. L Hill, G. Thomas M Hult, Rohit Mehtani, International Business, Mc Graw Hill,11e, 2019.
	7	1-Jul-24	1	International Financial Markets- Export Financing	5 5	Charles W. L Hill, G. Thomas M Hult, Rohit Mehtani, International Business, Mc Graw Hill,11e, 2019.
	8	2-Jul-24	1	Managing International HR Activities: HR Planning, Recruitment and selection	5 5	Charles W. L Hill, G. Thomas M Hult, Rohit Mehtani, International Business, Mc Graw Hill,11e, 2019.
	9	3-Jul-24	1	Managing International HR Activities: HR Planning, Recruitment and selection	5 5	Charles W. L Hill, G. Thomas M Hult, Rohit Mehtani, International Business, Mc Graw Hill,11e, 2019.
	10	4-Jul-24	1	Managing International HR Activities: HR Planning, Recruitment and selection	5 5	Charles W. L Hill, G. Thomas M Hult, Rohit Mehtani, International Business, Mc Graw Hill,11e, 2019.
	11	6-Jul-24	1	Expatriate Selection and	5 5	Charles W. L Hill, G. Thomas M Hult,

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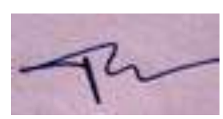
				Training		Rohit Mehtani, International Business, Mc Graw Hill,11e, 2019.
	12	8-Jul-24	1	Expatriate Selection and Training	5 5	Charles W. L Hill, G. Thomas M Hult, Rohit Mehtani, International Business, Mc Graw Hill,11e, 2019.
	13	9-Jul-24	1	Cross Cultural Issues in International Business.	5 5	Charles W. L Hill, G. Thomas M Hult, Rohit Mehtani, International Business, Mc Graw Hill,11e, 2019.
	14	10-Jul-24	1	Cross Cultural Issues in International Business.	5 5	Charles W. L Hill, G. Thomas M Hult, Rohit Mehtani, International Business, Mc Graw Hill,11e, 2019.
	15	11-Jul-24	1	Cross Cultural Issues in International Business.	5 5	Charles W. L Hill, G. Thomas M Hult, Rohit Mehtani, International Business, Mc Graw Hill,11e, 2019.

Signature of HOD

Date:



Signature of faculty

Date:

Note:

1. Ensure that all topics specified in the course are mentioned.
2. Additional topics covered, if any, may also be specified in bold.
3. Mention the corresponding course objective and outcome numbers against each topic.

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LESSON PLAN (U-I)

Lesson No: Unit1/ 1-12 Duration of Lesson: 12 hrs

Lesson Title: **Unit – I: Introduction to International Business**

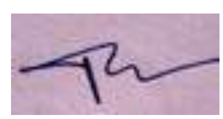
Instructional / Lesson Objectives:

1. To make students to understand Unit-I: Introduction Session towards International Business
2. To make students to understand Need for International Business
3. To make students to understand Drivers of Globalization
4. To make students to understand Distinction between Domestic and International Business
5. To make students to understand International Business Approaches
6. To make students to understand Modes of International Business
7. To make students to understand Impediments in International Business
8. To make students to understand Opportunities of International Business
9. To make students to understand Challenges of International Business
10. To make students to understand Ease of Doing Business (World Bank)
11. To make students to understand Multi National Corporation (MNCs)
12. To make students to understand International Business Environment: Cultural, Political, Social and Technological Environment

Teaching AIDS : PPTs, Digital Board
Time Management of Class :

5 min for taking attendance 40 min for the lecture delivery 5 min for doubts session

Assignment / Questions:
Refer assignment – I & tutorial-I sheets



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LESSON PLAN (U-II)

Lesson No: Unit II/1-13 Duration of Lesson: 13 hrs.

Lesson Title: **Unit – II: International Trade Theories**

Instructional / Lesson Objectives:

1. To make students familiar on the introduction to International Trade Theories
2. To make students familiar on the Classical Theories- Mercantilism
3. To make students familiar on the Absolute Advantage Theory
4. To make students familiar on the Comparative Advantage Theory
5. To make students familiar on the Factor Endowment Theory
6. To make students familiar on the Modern Theories-Country Similarity Theory
7. To make students familiar on the Product Life Cycle Theory
8. To make students familiar on the New Trade Cycle Theory
9. To make students familiar on the National Competitive Advantage Theory
10. To make students familiar on the India's Foreign Trade
11. To make students familiar on the Foreign Direct Investment in India
12. To make students familiar on the Balance of Payments.
13. To make students familiar on the Balance of Payments.

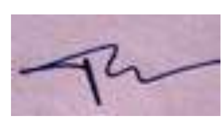
Teaching AIDS : PPTs, Digital Board

Time Management of Class :

5 min for taking attendance
40 min for lecture delivery
5 min for doubts session

Assignment / Questions:

Refer assignment – I & tutorial-I sheets



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Department of Master of Business Administration

LESSON PLAN (U-III)

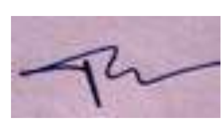
Lesson No: Unit-3/ 1-19 Duration of Lesson: 19 hrs
Lesson Title: **International Business and Economic Integration**
Instructional / Lesson Objectives:

1. To make students to understand Unit – III: Introduction to International Business and Economic Integration
2. To make students to understand Levels of Economic Integration
3. To make students to understand Benefits and Challenges of Economic Integration
4. To make students to understand Free Trade Agreement (FTA)
5. To make students to understand The Customs Union
6. To make students to understand The Common Market
7. To make students to understand The Economic Union
8. To make students to understand Arguments Surrounding Economic Integration
9. To make students to understand Regional Economic Groups-European Union
10. To make students to understand North American Free Trade Agreement(NAFTA)
11. To make students to understand The Association of Southeast Asian Nations, or ASEAN
12. To make students to understand South Asian Association for Regional Cooperation Association of Southeast Asian Nations(SAARC)
13. To make students to understand QUAD
14. To make students to understand G8-The Group of Eight
15. To make students to understand Multilateral TradeAgreements:The General Agreement on Tariffs and Trade
16. To make students to understand WTO
17. To make students to understand TRIPS and TRIMS
18. To make students to understand United Nations Conference on Trade and Development(UNCTAD)
19. To make students to understand International Trade Policy of India

Time Management of Class :

5 min for taking attendance 40 min for the lecture delivery 5 min for doubts session

Assignment / Questions:
Refer assignment – I&II& tutorial-I sheets



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LESSON PLAN (U-IV)

Lesson No: Unit-4/1-10 Duration of Lesson: 10 hrs

Lesson Title: **Strategy and Structure of International Business**

Instructional / Lesson Objectives:

1. To make students to understand Environmental Analysis
2. To make students to understand Types of Strategies
3. To make students to understand Strategy Implementation Process
4. To make students to understand Strategy Control and Evaluation
5. To make students to understand Strategic Alliances, Nature, Benefits
6. To make students to understand Pitfalls of Strategic Alliances
7. To make students to understand Scope of Strategic Alliance, Alliance Development Process,
8. To make students to understand Economic Considerations for Strategic Alliances
9. To make students to understand Choosing an Organizational Design Structure
10. To make students to understand Issues in Global Organizational Design

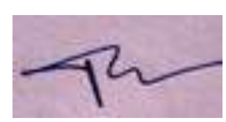
Teaching AIDS :PPTs, Digital Board

Time Management of Class :

5 min for taking attendance 40 min for the lecture delivery 5 min for doubts session

Assignment / Questions:

Refer assignment – II& tutorial-I sheets



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LESSON PLAN (U-V)

Lesson No: Unit-5/ 1-15 Duration of Lesson: 15 hrs
Lesson Title: Unit – V: International Business Operations

Instructional / Lesson Objectives:

1. To make students familiar on the Issues involving International Production
2. To make students familiar on the Sourcing and Vertical Integration
3. To make students familiar on the Major Activities in International Marketing
4. To make students familiar on the Brand Decisions
5. To make students familiar on the Issues of International Financial management: Forex Market
6. To make students familiar on the International Monetary System
7. To make students familiar on the International Financial Markets-Export Financing
8. To make students familiar on the Managing International HR Activities: HR Planning, Recruitment and selection
9. To make students familiar on the Managing International HR Activities: HR Planning, Recruitment and selection
10. To make students familiar on the Managing International HR Activities: HR Planning, Recruitment and selection
11. To make students familiar on the Expatriate Selection and Training
12. To make students familiar on the Expatriate Selection and Training
13. To make students familiar on the Cross Cultural Issues in International Business.
14. To make students familiar on the Cross Cultural Issues in International Business.
15. To make students familiar on the Cross Cultural Issues in International Business.

Teaching AIDS : PPTs, Digital Board
Time Management of Class :

5 min for taking attendance
40 min for the lecture delivery
5 min for doubts session

Assignment / Questions:
Refer assignment – I & tutorial-I sheets

Signature of faculty

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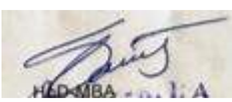
ASSIGNMENT – 1

This Assignment corresponds to Unit No. 1

Question No.	Question	Objective No.	Outcome No.
1	Explain International Business Environment?	1	1
2	What is the need for International Business and Explain differences between Domestic and International Business?	1	1



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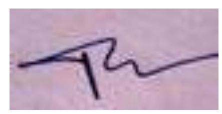
Date:



Signature of faculty

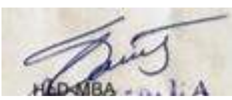
Date:

Department of Master of Business Administration

ASSIGNMENT – 2

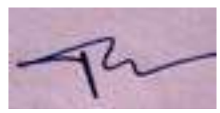
This Assignment corresponds to Unit No. 2

Question No.	Question	Objective No.	Outcome No.
1	Explain any two Traditional or Classical theories of International Trade?	2	2
2	Explain Foreign Direct Investment (FDI) in India?	2	2



Signature of HOD

Date:



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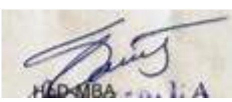
Date:

Department of Master of Business Administration

ASSIGNMENT – 3

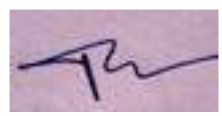
This Assignment corresponds to Unit No. 3

Question No.	Question	Objective No.	Outcome No.
1	Explain the levels, benefits and challenges of Economic Integration?	3	3
2	Explain any two regional economic groups?	3	3



Signature of HOD

Date:



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Date:

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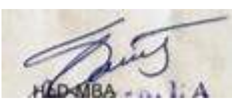
ASSIGNMENT – 4

This Assignment corresponds to Unit No. 4

Question No.	Question	Objective No.	Outcome No.
1	Explain the importance of environmental analysis in IB?	4	4
2	What is Alliance? Explain benefits and Pitfalls?	4	4



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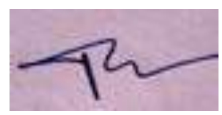

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ASSIGNMENT – 5

This Assignment corresponds to Unit No. 5

Question No.	Question	Objective No.	Outcome No.
1	Explain the issues involved in International Production?	5	5
2	Explain cross cultural issues in IB?	5	5

Signature of HOD

Date:

Signature of faculty

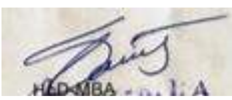
Date:

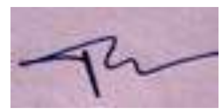
Department of Master of Business Administration

TUTORIAL – 1

This tutorial corresponds to Unit No. 1 (Objective Nos.: 1, Outcome Nos.: 1)

1. Define Business?
2. Define International Business?
3. Define Domestic Business?
4. List the Approaches of International Business?





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Date:

Date:

Department of Master of Business Administration

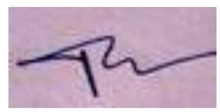
TUTORIAL – 2

This tutorial corresponds to Unit No. 2 (Objective Nos.: 2, Outcome Nos.: 2)

1. What is International Trade?
2. Write a Short notes on Mercantilism theory?
3. Write a Short notes on PLC Theory?
4. What is FDI?

Signature of HOD

Date:



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Date:

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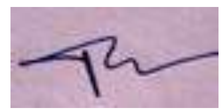
TUTORIAL SHEET – 3

This tutorial corresponds to Unit No. 3 (Objective Nos.: 3, Outcome Nos.: 3)

1. What is Economic Integration?
2. List the Levels of Economic Integration?
3. What is FTA?
4. List any two benefits of Economic Inttegration?

Signature of HOD

Date:



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TUTORIAL – 4

This tutorial corresponds to Unit No. 4 (Objective Nos.: 4, Outcome Nos.: 4)

1.Value Chain Analysis is a strategic management tool that helps identify and evaluate the various activities within a company's business. Which of the following best describes a "value chain" in this context?

a) A chain of suppliers and distributors in the industry.
b) A sequence of activities that add value to a firm's products or services.
c) A network of customers and competitors in the market.
d) A hierarchy of management positions within the company.

2.Which of the following is NOT considered a primary activity in the Value Chain Analysis framework?

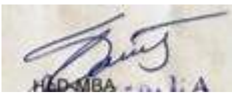
a) Inbound logistics b) Operations
c) Outbound logistics d) Technology research and development

3.Which strategy in International Business (IB) involves selling the same products or services in foreign markets as in the domestic market without any significant adaptation?

a) Global standardization strategy b) Transnational strategy
c) Localization strategy d) Export strategy

4.Which International Business strategy focuses on customizing products and marketing strategies to meet the unique needs and preferences of local markets?

a) Global standardization strategy b) Transnational strategy
c) Localization strategy d) Import strategy



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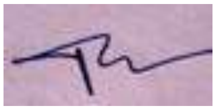

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TUTORIAL SHEET – 5

This tutorial corresponds to Unit No. 5 (Objective Nos.: 5, Outcome Nos.: 5)

1.What is the term used to describe the relocation of production activities from one country to another, typically to take advantage of lower labor costs or other favorable factors?
a) Exporting b) Off shoring
c) Importing d) Outsourcing

2.Sourcing in International Business refers to the process of:
a) Acquiring financing for international projects.
b) Identifying potential markets for expansion.
c) Obtaining raw materials, goods, or services from foreign suppliers.
d) Entering into joint ventures with local companies.

3.A company that manufactures smart phones decides to acquire a company that specializes in producing camera components. This is an example of:
a) Horizontal integration b) Backward integration
c) Forward integration d) Lateral integration

4.A company that owns both the manufacturing facilities and the retail stores that sell its products is an example of:
a) Backward integration b) Forward integration
c) Horizontal integration d) Diversification

Signature of HOD Signature of faculty

Date: Date:

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EVALUATION STRATEGY

Target (s)

a. Percentage of Pass : 95%

Assessment Method (s) (Maximum Marks for evaluation are defined in the Academic Regulations)

a. Daily Attendance
b. Assignments
c. Online Quiz (or) Seminars
d. Continuous Internal Assessment
e. Semester / End Examination

List out any new topic(s) or any innovation you would like to introduce in teaching the subjects in this semester

Case Study of any one existing Topic

Signature of HOD

Date:

Signature of faculty

Date:

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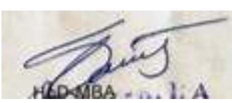
COURSE COMPLETION STATUS

Actual Date of Completion & Remarks if any

Units	Remarks	Objective No. Achieved	Outcome No. Achieved
Unit 1	completed on 23-03-2024	1	1
Unit 2	completed on 16-04-2024	2	2
Unit 3	completed on 20-05-2024	3	3
Unit 4	completed on 20-06-2024	4	4
Unit 5	completed on 11-07-2024	5	5



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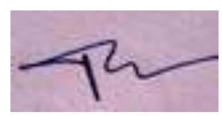
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Date:

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Mappings

1. Course Objectives-Course Outcomes Relationship Matrix

(Indicate the relationships by mark "X")

Course-Objectives \ Course-Outcomes	1	2	3	4	5
1	H				
2		H			
3			H		
4				H	
5					H

2. Course Outcomes-Program Outcomes (POs) & PSOs Relationship Matrix

(Indicate the relationships by mark "X")

CO's /PO's	PO1	PO2	PO3	PO4	PO5	PO6	PO7	PO8	PO9	PO 10	PO 11	PO 12	PSO1	PSO2
CO1	H		H		H		L						M	H
CO2	H	M			L								H	M
CO3	H	M			M								M	H
CO4	H						M	H					H	H
CO5		M	H										H	M

Department of Master of Business Administration

Rubric for Evaluation

Performance Criteria	Unsatisfactory	Developing	Satisfactory	Exemplary
	1	**2**	**3**	**4**
Research & Gather Information	Does not collect any information that relates to the topic	Collects very little information some relates to the topic	Collects some basic Information most relates to the topic	Collects a great deal of Information all relates to the topic
Fulfill team role's duty	Does not perform any duties of assigned team role.	Performs very little duties.	Performs nearly all duties.	Performs all duties of assigned team role.
Share Equally	Always relies on others to do the work.	Rarely does the assigned work - often needs reminding.	Usually does the assigned work - rarely needs reminding.	Always does the assigned work without having to be reminded
Listen to other team mates	Is always talking—never allows anyone else to speak.	Usually doing most of the talking-- rarely allows others to speak	Listens, but sometimes talks too much.	Listens and speaks a fair amount.

Department of Master of Business Administration

MID-I Question Paper

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33

NAAC A+

I MBA II SEMESTER (R22) I - MID TERM EXAMINATIONS MAY 2024

Branch : M.B.A.

Date : 06-May-2024 Session : Morning Max. Marks : 30M

Subject : INTERNATIONAL BUSINESS,A92009 Time : 120

PART - A

ANSWER ALL QUESTIONS 10 X 1M = 10M

Q.No	Question	CO	BTL
1.	Define MNC?	CO1	L1
2.	Define Business?	CO1	L1
3.	List the Methods of IB?	CO1	L1
4.	What is EODB?	CO1	L1
5.	What is meant by Current account in BoP?	CO1	L1
6.	What is International Trade?	CO2	L1
7.	What is meant by Capital in BoP?	CO2	L1
8.	What is FDI?	CO2	L1
9.	What is Economic Integration?	CO2	L1
10.	List the Levels of Economic Integration?	CO3	L1

PART - B

ANSWER ANY FOUR 4 X 5M = 20M

Q.No	Question	CO	BTL
11.	What is IB? Explain its opportunities and challenges?	CO1	L3
12.	Explain about drivers of International Business?	CO1	L3
13.	Expalin the concept of BoP indetail?	CO2	L2
14.	Explain Absolute Cost advantage Theory?	CO2	L3
15.	Explain the Custom Union?	CO3	L3
16.	Explain Free Trade Agreement?	CO3	L3

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MID-II Question Paper

33

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I M.B.A. II SEMESTER II MID EXAMINATIONS - JULY 2024

Branch : M.B.A.
Date : 20-Jul-2024 Session : Morning Max. Marks : 30M
Subject : INTERNATIONAL BUSINESS,A92009 Time : 120 Min

PART - A

ANSWER ALL THE QUESTIONS 10 X 1M = 10M

Q.No	Question	CO	BTL
1.	Explain NAFTA?	CO3	L1
2.	Write about WTO?	CO3	L1
3.	What is Environmental analysis in IB?	CO4	L1
4.	What is Export Strategy?	CO4	L1
5.	What is Value Chain Analysis?	CO4	L1
6.	What is Transnational Strategy?	CO4	L1
7.	What is Brand Positioning in IB?	CO5	L1
8.	What is Forward Integration?	CO5	L1
9.	Write about Brand Extensions and Adaptations in IB?	CO5	L1
10.	What is Market Research in IB?	CO5	L1

PART - B

ANSWER ANY FOUR 4 X 5M = 20M

Q.No	Question	CO	BTL
11.	Explain about FTA?	CO3	L3
12.	Write about International trade policy of India?	CO3	L3
13.	List the Benefits and pitfalls of Strategic Alliance in IB?	CO4	L3
14.	Write about importance of Environmental analysis in IB?	CO4	L3
15.	Write about Sourcing and Vertical Integration in IB?	CO5	L2
16.	Explian issues involved in International Production?	CO5	L2

Page : 1

Department of Master of Business Administration

Mid Marks Statement-International Business -A92009

S.No.	H.T.No.	Name of the Student	Mid - I Marks (30)	Mid - II Marks (30)	Avg of Mid-I & Mid-II (A)	Assignment - I (5)	Assignment - II (5)	Avg of Assg.-I & Assg.-II (B)	PPT (5) (C)	Total (A+B+C)
1	22C11E0018	SUDHA RANI GOLLAGOPU	AB	AB	0	AB	AB	0	AB	0
2	23C11E0001	ANUSHA NIMMALA	30	29	30	5	5	5	5	40
3	23C11E0002	ANVESH JIMMIDI	28	24	26	5	5	5	5	36
4	23C11E0003	ASFIYA HUNEZ MOHAMMAD	30	30	30	5	5	5	5	40
5	23C11E0004	BAJI SHAIK	28	24	26	5	5	5	5	36
6	23C11E0005	BAJIBABA SAYYAD	30	29	30	5	5	5	5	40
7	23C11E0006	BHAVANI RUDROJU	20	18	19	5	5	5	5	29
8	23C11E0007	GANESH BADAVATH	19	15	17	5	5	5	5	27
9	23C11E0008	GOWTHAMI BHEEMISHETTI	30	30	30	5	5	5	5	40
10	23C11E0009	HARIKA KONAPARTHI	30	29	30	5	5	5	5	40
11	23C11E0010	MAHESH MUCHU	28	21	25	5	5	5	5	35
12	23C11E0011	MANIKANTA CHETTUPELLI	27	23	25	5	5	5	5	35
13	23C11E0012	NAGARAJU BUDIGEBOINA	29	28	29	5	5	5	5	39

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14	23C11E0013	NAGESWAR REDDY KALAGOTLA	30	30	30	5	5	5	5	40
15	23C11E0014	NARENDRABABU ANGIREKULA	30	28	29	5	5	5	5	39
16	23C11E0015	NEELAMBARI DEVI KOMARAGIRI	30	29	30	5	5	5	5	40
17	23C11E0016	NEERAJA NARAVULA	30	30	30	5	5	5	5	40
18	23C11E0017	NISHMA MOHAMMAD	30	28	29	5	5	5	5	39
19	23C11E0018	SAI KUMAR KANDAPU	28	29	29	5	5	5	5	39
20	23C11E0019	SAI LASYA KALVAKOLANU	30	30	30	5	5	5	5	40
21	23C11E0020	SAI PRAVALLIKA MARTHI	29	28	29	5	5	5	5	39
22	23C11E0021	SHARANYA KATIKAM	29	30	30	5	5	5	5	40
23	23C11E0023	SOUJANYA KONDURU	29	27	28	5	5	5	5	38
24	23C11E0024	SOWMYA REDDYMALLA	30	27	29	5	5	5	5	39
25	23C11E0025	SUMANTH KOTTE	30	27	29	5	5	5	5	39
26	23C11E0026	SUMANTH KUMAR VANGALA	30	30	30	5	5	5	5	40
27	23C11E0027	TEJAVANI GANGARAPU	23	20	22	5	5	5	5	32
28	23C11E0028	THULASI LAKSHMI GUDAPARTHI	24	22	23	5	5	5	5	33
29	23C11E0029	VAMSHI MADASU	28	29	29	5	5	5	5	39

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30	23C11E0030	VASU SADELA	27	28	28	5	5	5	5	38
31	23C11E0031	VENKATA AARSHA ORUGANTI	26	22	24	5	5	5	5	34
32	23C11E0032	VENNELA BHUKYA	25	20	23	5	5	5	5	33
33	23C11E0033	VENU BOMMAKANTI	30	30	30	5	5	5	5	40
34	23C11E0034	ZAINUL ABEDEEN MOHAMMAD	30	30	30	5	5	5	5	40

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Sample Answer Scripts & Assignments

&

Course material

ANURAG ENGINEERING COLLEGE

(An Autonomous Institution)

(Approved by AICTE, New Delhi, Affiliated to JNTUH, Hyderabad, Accredited by NAAC with A+ Grade)

Ananthagiri (V & M), Kodad, Suryapet (Dist), Telangana.

Program			YEAR	SEMESTER	MID EXAMINATION
B.Tech.	M.Tech.	M.B.A. ✓	2	2	2

HALL TICKET NO.: 2 3 C 1 1 E 0 0 0 7

Regulation : R22 Branch or Specialization:

Signature of Student: B. Ganesh

Signature of invigilator with date: 6/5/24

Signature of the Evaluator:

Course:

Q.No. and Marks Awarded

1	2	3	4	5	6	7	8	9	10	11

Maximum Marks: 30 Marks Obtained: 19

(Start Writing From Here)

Part - B

11) IB Means International Business who is our Doing Business two are More than Countries that Called as International Business and its Some points.

⇒ Exporting
→ Leaceuring
→ franchasing
→ FDI
→ Joint venture

those are Doing the International Business and these to Go the International Business

1. Exporting :-

In the International Business Exporting one of Major Source and our products and Some Service Giving to the other Country So Exporting one of the Source and Exporting Improve our Country

2) Clerceneing :-

Giving the Some Clencess to the Some Companies and New Companies welcome and Encorage New Clenceesing And Give Some opportunities and and Our Home Country who doing the International Company Expant and Establish Give Some Subsity and Some Money and Land.

3) franchising :-

franchising Also One Of the Source and Our Company Business is very So ! Expansion is very Important and Our Company Develop as will as our Economi Also developed.

4) FDI (foreign Direct Investment) :-

FDI foreign direct Investment who is do Or Money to Another Contry Business that Called as FDI Some Company In China But He doing Investment to the India the transaction Called as FDI Now a days all Companys is Intrested to the India

5) Joint Venture :-

Joint Ventire Means who is doing the Business One Company But places and More than places Joint venture and doing the Business Same Pl'ce be Some Changes is not anything

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12) International Business Drives are How to develop and How to Growth and those key Aspects Here So International Business Drives How to Increase the Risk and Development

→ Globalization Global Market access
→ Diversification
→ Cost Saving
→ Talent Aquistation
→ Brand Building.

those are drivers to the International Business Development :

1) Global Market access :-

access the Global Market and to Growing About the Global Market and Instruction and Improvement and Clever Guidelines and How to Improve the Globalization that time Global Market will tells you How to ding the Business Global Market

2) Diversification :-

Diversification is Business Doing the other Contry But Cutiral and theme Define Into our Home Country to Our Contry people which Language are Using And which theme liking And How to Extract the Colour And Some

3) Cost Saving:-

Cost Saving [illegible] is an international business and some [illegible] coming you will order one that you will order again and again that time Cost Saving is [illegible] possible and in the business point of you cost saving is very very important.

4) Talent Acquisition:-

Encourage new Talent and New Ideas and automatically Employment improved and infrastructure developed so automatically economically also developed so Talent acquisition develop and give some land and money to Talent will be doing the more and profit.

5) Brand Building:-

Brand Building is more than powerful to logo once build the Brand then automatically peoples from again and again that is the power of Brand the Reputation and a share and trade mark and Trusting them all are about the Brand and so Brand Building major source to improve the Company trust and Business

3) Bop is Bllc of payment there are two type in Bop
1) Capital Account
2) Current Account

these are Recorded Suts Busness transaction and a Behavior

1) Capital Account :-

In this Account is Bill of payment Capital Account is Recording to Company Investment and who is invest in a Company and How Much of Money and How Many Shares will be Buying and Selling those all are under Recorded to the Capital Account Recorded Suts Systematically and to use ! Also How Much of Share will be the Giving to the Share holder that time will be Capital Ac helped.

2) Current Account :-

Current Account How Much of Money will transaction and How How Much of Money and a transaction will be our purchase and Sales and depb leavs those All are Under Comes to the Current Account So is Recorded to transaction is Systematically and

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Bop Bill of payment those transaction are Important and those transaction Helped to Business future position And How to Growth the So Bop is very very Importance

16) Trade Agreement is How doing the Business And Company Running those Are Called as Trade Agreement and Trade theory

→ Marchatelism theory
→ Clisification theory
→ Absolute theory
→ Competitive thery
→ future Endowcoment theory.

those thery are Called to Trade thery And Agriement and these trade thery's Called as tell you How to Grow And How to Behave In Business point of view.

1) Marchatelism trade thery:-

Marchatelism trade thery is to develop Export down the Import Export Increase And Imports decrease that Marchatalism trade thery

2) Clasification trade thery:-

Some Potriction to the Other Company Company product and traslation doun Other Company And Developt the Home Country.

3) Absolutel trade theory :-

Absolute trade theory is How Much of How colo to comes to Our Home Country to Establish the the Company to Improve the thamy and Giving Money and land so it Help decresig depending to the other Country.

4) Comporitive trade theory:-

Compartive trade theory Compon two the Other Country development and How Over Come to Other Country Busing Comparing is very very Important so Compartive trade theory will tell you

5) future Endowcement trade theory :-

future is very Important In future How Over Come Some weak Company and weak Areas and How Give So Company Aspect Now is not Aspect profit But In future will be Absolutely Developed So

Pat - A

1) Multinational Company

2) Buying (or) Selling Goods through Money that Called as Money

3) FDI franchaise
Exporting

4) Establish on doing Business

5) Recorded for the Business transaction

6) International Company's not Manufacture the product, But the Giving the Trade Secret. that Called Trade

7) Recorded Into Investment And other transaction

8) Putting & Invester the Money to Other Country Company to through FDI

9) Economicaly Strong And Develop

10) Multinational Agrement
Agreement Integration
Regio. Economic Agrement Integration

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Program			YEAR	SEMESTER	MID EXAMINATION
B.Tech.	M.Tech.	M.B.A. ✓	I	II	I

HALL TICKET NO.: 2 3 C 1 1 E 0 0 1 6

Regulation: R22 — Branch or Specialization: MBA

Course: International Business

Signature of Student: N. Neeraja

Signature of invigilator with date: [illegible]

Signature of the Evaluator: [illegible]

Q.No, and Marks Awarded

1	2	3	4	5	6	7	8	9	10	11

Maximum Marks: 30 — Marks Obtained: 30

(Start Writing From Here)

PART - A

MNC :-

A company which operates its business in two or more countries is called Multi-national coorporations.

Examples :- Google, Wipro, I-phone Apple etc..

Business :-

Business is a process of exchange of goods or services for a value with the aim of maxization of profits.

Methods of IB :-

→ Licensing

→ Exporting

→ Frenchising

→ Joint venture

→ Foreign Direct Investment

→ A...

business. It acts as a suggestion for the countries who want to invest in across countries by the concept of ease of doing business. It was directed by world bank. Every year world bank gives ranks. It acts as reference for investors to do their business in easy manner.

5) Current Account in BOP :-

Balance of payments is the record of economic activities of countries. The BOP of current account involves the current investment on performance of the country in business economic activity.

6) International Trade :-

International trade is nothing but trading of goods and services b/w countries across borders, to maximize business profits and reducing complexities during trade and tariff.

7) Capital in BOP :-

Balance of payment in capital includes total investment on economic activity of the country to do business to start. This has the exact figure of amount to start business activity.

8) FDI :-

FDI ...

their profits. In FDI we can see Host country and Home country. Investment in business by host country in Home country. FDI provides so many policies to gain profits in business. It is a platform for doing business with flexibilities.

1) Economic Integration:-

Economic Integration is the process of Combining together different economies to form a larger and more unified economy. It brings coordination between countries by reducing trade barriers etc.. (or) A kind of understanding between countries to form as a unified economy.

2) Levels of Economic Integration:-

⇒ Preference Trade Agreement.
⇒ Free trade area
⇒ customs union
⇒ common market.
⇒ Economic union
⇒ political union

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PART-B

11) Ans: INTERNATIONAL BUSINESS :-

'International business is the process of economic activities that takes places through the countries to maximize profits. International business have so, many opportunities, challenges methods and approaches etc..

Opportunities of IB :-

International business have so, many opportunities as follows :-

1) Globalized Markets :-

With the concept of International business market expansion can takes place which lead to Globalized markets.

2) Innovation :-

Innovation can be increased by the encouragement of International business. New ideas and technology will be introduced into the modern world.

3) Talent acquisition :-

Talent can be proved and more opportunities will be evolved through IB.

4) Diversification :-

Business can be diversified by more influence.

5) Competitive advantage :-

Competition will be increased and real talent should be proved by IB.

7) Brand Building :-
With the help of building International business there is scope to increase brand and power to build brand.

8) New Resources :-
New resources will be available by IB.

Challenges in International Business :-

1) Cultural Differences :-
Cultural Differences take place because all regional cultural activities are not same.

2) Logistics and Supply Chain management :-
It is a major challenge in IB transportation and supply chain mgmt is not an easy task.

3) Currency fluctations :-
Currency is different among country to country. So, it is a major challenge.

4) Market entry barriers :-
There are lot of barriers that takes place infront to enter into a new market to do music business.

5) Ethics and Social Responsibility :-
Ethics and social responsibilities are the challenges across the business. It influences business a lot.

6) Human Resource Management :-
HRM management is nothing but managing with men, money, machine, material. It is

12) Ans: **Drivers of International Business:-**

International business has some drives which act as advantages. The economic activities definately have drivers because they help the investors to invest, encourages, supports. Some of drivers that involve with Internation business are as follows:-

⇒ Access to new markets
⇒ Access to Resources
⇒ Diversification
⇒ Innovation
⇒ Competitive advantage
⇒ Brand Building

1) **Access to new markets:-**

International business is the key to enter into new market. By using IB we can expand our market nothing but we can increase market size, and chances to enter new markets with innovative and strategic ideas. Hence, IB plays key role in market expansion.

2) **Access to Resources:-**

Resources are nothing but human resources like man, material, machinery, money. The business profits also arounds this resource management only. Proper management gives maximized process. So, by this resources availability will be more by International

usiness. Through diversification IB will be
volved more stages of developed. Business
will be diversified when it has perfect
opportunities of International business.

4) Innovation:-

Innovation is the major pillar of International business without innovation business can't exist in nature. Innovation will be encouraged in the areas of technology to improve more and more employment opportunities along with international business development.

5) Competitive advantage:-

Competitive advantage is one of the major driver of IB. By this we can get best alternative business in the business world. competitive advantages create more miracles in international business.

Brand Building:-

Brand Building helps to increase the reputation or recognition of a business to expansion. It is also one of best advantage or driver of international business.

THE CUSTOM UNION

The custom union is the free trade good, and a...

economic integration. It shares similarity with common market also for custom union the best example is the European union. Because it has the group currency with same economic policies such as monetary policy, fiscal policy and some other trade opinions, tariffs, same currency. So, they share same trade opinions and tariffs with the non member countries who are not a member in their union.

Custom union takes place between bilateral (between two countries) and multilateral (between more than two countries). Customer union deals with CAN, EAEU Eurasian Economic union and SACU (South Asean custom union, South africa custom union has so many advantages in the process of combining together of different economies as a unified economy. custom union also facing challenges with of economic integration National Sovereignty concerns, Adjustment costs, Levels of national concerns, Democracy deficit etc. It leads to misunderstanding b/w countries which creates conflicts. So, the economic integration level custom union should be available for any

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ADDITIONAL SHEET NO.	
SIGNTURE OF INVIGILATOR	

Date of Examination:

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FREE TRADE AGREEMENT

Free trade agreement is one of the economic integration. It takes place between the countries in exchange of goods and services. It contains the list of opinions and challenges in the view of tariff and trade areas. The free trade agreement is dealing with CPTPP, EFTA. This is one of the business agreement to maximize the profits in the ways of all possibilities. The benefits of free trade agreement is Increased trade policy, Greater efficiency, Improved competitiveness, political cooperation, business expansion, Reduced risk etc.

Along with benefits, challenges also their in free trade agreement Adjustment of costs, opinions on trade and tariffs. It is one of the best level of economic integration, with a higher degree level. It eliminates the tariffs and trade across borders more complexity for trade with more flexibilities. Free trade agreement can be made easy between ... to increase their performance in

Free trade agreement (FTA) is the best practice of economic integration. and has more influence in and stability and experience in unification of economies. The main objective of this FTA is nothing but providing best flexibilities and measures to increase or expand the business for better profitable values. Hence, it is proved by many countries as best level of economic integration in exchange of goods and services by better tariffs and trade opportunities. It provides so, many advantages along with challenges.

5

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Program			YEAR	SEMESTER	MID EXAMINATION
B.Tech.	M.Tech.	M.B.A. ✓	I	II	II

Regulation : R22 | Branch or Specialization: MBA

HALL TICKET NO. 2 3 C 1 1 E 0 0 0 7

Signature of Student: B. Ganesh

Course: International Business

Signature of invigilator with date:

Signature of the Evaluator:

Q.No. and Marks Awarded

1	2	3	4	5	6	7	8	9	10	11

Maximum Marks: 30 | Marks Obtained: 15

(Start Writing From Here)

13) Statagic Alloance when the Company Run Business two Or More country that Stategic Allonce will be Staped and
1) Global Standartization
2) Localization Stategy
3) Transportation Stategy
4) Export Stategy
5) Liceneing And, franchising
6) Joint venture Strategy And Allence
7) Aquitition Merge Strategy
8) Global Sopply Chain.

when the Sopply Chain Strategic Allience will, depending on those Aspects.

1. Global Standatization:-

Company when the Expand their Company that Ready to Make Strandard And All Aspect will be Strong And Any Activity will be not Disturb their Company that is Global Straidartization Globaly Strong.

2) Localization Strategi :-

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Locally will be Strong.
3) Transportation Strategy:-
Transportation one of the main Sa to Company And US. New Strategy And New ways to transportation facility And complete early.
4) Export Strategy:-
Export Strategy Also Main theme and when Export will be Grow then Compay Brand And Profit Also Gaind & Grow So Compay Export Also Important.
5) Liecencing And franchesing:-
Leecencing And francheting Also Help to the Compay Expansion and franchy to their Company will Automatically Grow And their Company Branding will be Grow So franchesing Also one Major Aspect to the Company Growth.
6) Aquitition And Merge Strategy:-
when Some Company's are to Merging to the their Company to other Company to Catch their Branding And Market Aquitition Also one Aspect Merge Stategy to Expand their Busin And Company.
7) Global Supply Chain:-
Company will their transportation And logistic will be Globalization to Export their Company products And their Service So Global Supply Chain Also Main Aspect.
Strategy Alleane when the Company Expand And their Complete Complet. their ...

Some way Aspect And Environmental Changes will be Chance to Company will be Solve And Responsibility will be take.

1) ~~S~~ Cultural And Structure
2) Communication
3) Different Culture Difference
4) Cordination And
5) Team Management leadership
6) Team Dynamic
7) Train perception And Management.

those All Aspect to Environment And Importance to International Business So.

1) Culture And Structure:-

Major Aspect to International Business when the Go to Another Country to their Company. Business See to Different Culture and different Structure. So when the doing Business that time See will be to feel like free Different culture will their.

2) Communication:-

Communication Also Main Aspect and when the International Business Communication Different ways and Different Style So Commun also main Aspect to IB.

3) Language:-

Language Also Different to Company will be train to Language Also Different people and different Language So feel and Say And digrade will be Dont feel So Language Also Main Aspect

Dressing Also Different And Ki...
Some Cody. And Cating Beef and
Pig When that you will be feel dig...
that will be not properly correct So
Accept to Dressing And food Habit
5) Cordination
Cordination Also Importatiot to
IB So their Company Different peple
and different So Cordiation and way
to feel like free dont feel Different
person and Company point of you Cordination
Very very Importat and peple Acceptant
6) Team Management And Leadership :-
Team Management very very Importaut
and So it Team Management not In
Have that Company that company will be
not Secure And production Healty
Environment will be Missing So Team
Management Also Importaut.
7) Train perception And Management :-
Training When the Employe will
be Joint Into our Company Train to
Language And Culture and Behavior and
All Aspect will be train And Give to
Job When the Train will be fail
then Automaticaly Employe perception And
Mindset while be Changed So Train to
Employe Mainly and Clearly So Organisation
take those Aspect and Company Environment
is Very Very Importaut

and Company facing lot of thing And that thing will face After than you Company will be see to secure And Expand to Internationaly.

1) politicaly
2) Suppler Section
3) Quality Controll
4) logistic & Transportation
5) Currency Risk
6) Culture & language.

those Issues will be faced Into International Busines And Do International Business.

1) politicaly:-

first facing Issue politicaly And when the politcal power will be changed then Automaticaly Another Industry policy will be come And that policy will be it will be favorable And non favorable So politicaly power Also Important.

2) Sopply Section:-

Supply one of the Major Resource to Do International And it Sopply Section will be properly International Busines will be not Do properly.

3) Quality Controll:-

if you Export to Another Coutry to Quality Also Main Aspect And Dont Controll Quality And neglet to the Quality when the Controll to Quality then it Controll to Quality production profit Also High And Quality will decrese Branding And profits Company will be down. So Quality Also One Main Souce.

4) Logistic And Transportation :-

Logistic And transportation when the transport to Effectively Company will Growth will Automaticaly And Transportation will not Go to properly than damage product. And not delivery Correct time Commitement time So transportation logistic faulfill to costomer Need that IB will Grow.

5) Currency Risk :-

this one or Major Aspect to And Currency will be Changed and Money various Also Changed and Currency Risk Also Main Aspect And Currecy one Curtry to one Country will Differcnt And lot of different Rupes And Dollar. So Money Currency will be Automaticaly play Main Role.

6) Culture And Language :-

Cuture And Language Meany Soudi Arabia Hizab will lot at Member will be Wear. And Another Country Another way And So Culture And India is Traditional wear So Culter also play Main key Role Into IB And Language Also playing Main Role

Many Turen Truck ...

when the Company Company to Putrese to their Compay Manufacturing Into Anther Company that time FTA will Helped to Agreement to their Company to Another County to that Coutry Make Industry policy And their Major Aspect and Checking Into their Quality And Our Company Motive And their company will Matter will be friender then will be Now WhatsApp if their privacy policy will be different. And India Company policy different And India Give a Advice to Change our policy to for our Service to India WhatsApp will be not Chage policy to Expecily India So India will be Stop to WhatsApp So FTA When the Agreement will be do And China And India will be Enimia And company then to India And China So Company Export and Import will be hover Stop it will Stop FTA will Make Compromise to those Contry's So this is foriegn trade Agreement to Compromise to two Contry's and So contry's to country Lot of fight Some Issue So Donk Give pressure to Company and their production And Export And Import this a Main Motive Into foriegn trade Agreement.

3) Enviromental International Issues firm current and PESTEL Analysis Compounts Product Insight and Reach Produce and process of Cultivation

4) Export type of Strategic process Insight of Export of good forign and Export to Home Contry Export to forign Country Import will be Home Contry

5) Value Chin Analysis object Analysis Trad and Culture and Impul and their Contry and their Culture.

1) National Americal firm trade Agreement

2) World trade organisation

6) Transport Good to Another Contry to Transports Safely And feelly to Exports

7) Branding In position what Company need to Costomer And Company How to Behav

8) Company How to Behav Integration Many Another Cuntry And their Cuter.

9) Expantion Mean to Adopt their Contry Rosous And Gain profit

10) Which Area on Makel and How Much Country will Intrest to Company And Which

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Program		
B.Tech:	M.Tech.	M.B.A. ✓

YEAR	SEMESTER	MID EXAMINATION
I	II	II

HALL TICKET NO: 2 3 C 1 1 E 0 0 1 6

Regulation : R.22 Branch or Specialization: MBA

Course: International Business

Signature of Student: N. Neeraja

Signature of invigilator with date: 20/07/2024

Q.No. and Marks Awarded

1	2	3	4	5	6	7	8	9	10	11

Signature of the Evaluator:

Maximum Marks: 30 Marks Obtained: 30

(Start Writing From Here)

PART-A

1) NAFTA :-

NAFTA expends North American free trade agreement. Means it has certain measure according to trade duties. These rules and regulations should be follow up by the member countries who are involved for their welfare.

2) WTO :-

WTO expends as world trade organization. The main aim of world trade organization is to reduce tarrifs and quota duties in trade and promoting sustainable trade practices without complications among the countries. The countries should follow the norms which are given by world trade organization in trade.

3) Environmental Analysis in International Business :-

environment on using some parameters to enter into the International business environment. It considers the parameters such as polital, economical, social, Technological, cultural and legal aspect of environment to enter into the business world.

4) Export Strategy:-
Export strategies in nothing but keeping certain strategies while exporting goods and services in the supply chain. The export strategy is viable to the countries which are doing export duties. The rules and regulations in exporting are framed with certain strategies.

5) Value chain Analysis:-
Value chain analysis is the process which have some supply chain strategies. It mainly focusses on trade that means importing and exporting goods and services, logistis which framed measures to follow in trade and some tariffs and duties, and the analysis of these in supply chain refers to the value chain analysis.

6) Transnational strategy:- The transnational strategy refers that the strategies that are formed by nation for trans. This strategy helps for the development of nation through various aspects. Hence it is the welfare

Brand positioning in IB:—

In International business brand positioning refers to the mark of business with strong possibilities. Brand positioning is nothing but identification of business to anyone easily in the Business environment. The stability of brand. The unique value in International business about on our brand.

8) Forward Integration:—

Forward integration is the part of Internal production of vertical integration. Forward integration owns the retailers in the supply chain. It owns and controls the retailers. It also has some key aspects such as Quality control.

9) Brand extensions and Adaptations in IB:—

Brand extensions refers to the development or enlargement of brand in International business and brand adpatations means adapting some features or measures for development of brand. Brand extensions and adaptations are related to brand decisions in IB.

10) Market Research in IB:—

Researching the market in various aspects to enter into business like competitors, retailers, suppliers, facilities, political, socio-cultural, economic, Technological and legal factors etc. By research we can know the strategies to enter into IB

PART - B

14) Ans:- IMPORTANCE OF ENVIRONMENTAL ANALYSIS IN INTERNATIONAL BUSINESS :-

Environmental Analysis is important in international business by analyzation we can reduce the complexities and losses. according to our business idea we can mould the strategies which are involved in the business plan by basing the Environment. Environment analysis includes so many factors such as :

- → political factors
- → Economic factors
- → Socio-cultural factors
- → Technological factors
- → Legal factors.

These all factors plays crucial role in environmental analysis and some of other measure to consider are competitors, Raw-materials, suppliers, distributors, Manufacturers, retailers etc. The supply chain management and logists. Estimating the environment in various aspects to enter the business world. Before entering into the business considering pros and consequences according to the business is important. The perfect analyzation will gives the benefits and more ideas to the business helps to frame better strategies to reach expected outcomes

Environmental analysis plays key role for a business to start. It is the major pillar in business because analyzation is important factor to look after fruitful profits. Hence the environmental analysis providing more techniques and tools for better understanding about the business level. While we consider the factors in environment we will get a clarity on the environment strategies according to start the business in the International business.

16) Ans:- **ISSUES INVOLVED IN INTERNATIONAL PRODUCTION:-**

International production is the combination of sourcing and vertical integration in International business of supply chain Management and logistics.

Here are some key issues involved in international production as follows:-

⇒ Supplier selection

⇒ Logistics and transportation

⇒ Quality control

⇒ Regulatory and legal compliance.

* **SUPPLIER SELECTION:-**

Supplier selection is one of the key issue in international production of business. Because, Suppliers are the major one in supply chain management. The raw materials to manuf...

and Services, Suppliers are the important. Selection of Suppliers is not an easy task. We have to take feedback of their previous services. and comparing the ability of number of Suppliers and their facilities. After comparing all parameters and measures according to our preference. we have to Select the Suppliers.

* QUALITY CONTROL:-

Controlling the quality of goods and Services is not an easy task. Because it is the challenging issue in the international production of Supply chain across the international countries.

* LOGISTICS AND TRANSPORTATION:-

Logistics and transportation has the close relation. logistics is related with distributing or delivery of products and services in international business. Hence it is the major issue to manage across borders because of tariff and quota duties.

* REGULATORY AND LEGAL COMPLIANCE:-

In international production regulatory and legal compliance is refers to the regulations and legal factors to conduct logistics and supply chain. Adapting regula--tions and following them perfectly is not at all easy. It is a challenging factor. when compares with self policies we frame to follow up. legal compliance is the key

SOURCING AND VERTICAL INTEGRATION IN INTERNATIONAL BUSINESS:-

Sourcing and vertical integration are the two major components in international production of supply chain management.

SOURCING:-

Sourcing is the acquiring or managing the raw materials, goods, and services in the supply chain management, and it is one of the major measure according to International production.

There are some key aspects in sourcing that majorly considered by International production in International business.

→ Flexibility:-

Flexibility in acquiring good and services internationally in sourcing of international production of international business!

→ Quality control:-

There is a chance for quality control in sourcing because fixing stable quality in product manufacturing is a challenging factor in sourcing.

VERTICAL INTEGRATION IN IB:-

Vertical integration in international business means owns or controls the some of the stages of supply chain management from product manufacturing to delivering the end product to consumers or customers.

Vertical integration is classified as

1) Forward Integration and
2) Backward Integration.

→ Forward Integration :-

It refers that the vertical integration of international business of forward integration refers that it owns are controls the raw materials and retailers etc...

→ Backward Integration :-

Backward integration refers that it owns or controls the suppliers in the supply chain of internal production in vertical integration.

There are some key aspects of integration are as follows:

⇒ Logistics and Transportation
⇒ Quality control
⇒ Expertise
→ Regulatory and Legal compliance etc.

Sourcing and vertical integration of International business are influences the supply chain. Because sourcing and vertical integration owns and controls the supply chain from manufacturing of products and services to distributing of goods and services internationally in International Business. Hence these are two main sources of International production of Business.

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Hall Ticket No:	2	3	C	1	1	6	0	0	1	6

ADDITIONAL SHEET NO.	
SIGNTURE OF INVIGILATOR	

Date of Examination 20/07/2024.

(Start Writing from Here)

INTERNATIONAL TRADE POLICY OF INDIA

International trade policy of India refers that the duties and measures which are framed for the better of trade aspects which takes place in India and International trade. The policy operates it is duty International wide in the welfare of India in trade practices. these norms explains the do's and dont's of trade practices which we have to follow up.

The trade policy has strict rules and regulations to follow up because trade is the duty of exporting and Importing of goods and services across international borders. The policy also consists the measures that should be follow by the countries who are involved to do trade in our country. International trade policy of India main aim is to follow up of trade policy which is framed and it reduces the complexities while performing trade duties. and the policy always foresights the economic development of

Hence, the International Trade policy of India is started and implemented with updated measures in the twenth century. The trade policy is almost flexible to the Indians because to grasp profits in the International business. When we follow trade Secretes then they help us more strategically for better Services. Tariffs and duties of trade are influences the policy a lot. and the trade policy of India international wide is for providing facilities, and by reducing complexities or risks.

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MASTER OF BUSINESS ADMINISTRATION

MID I ASSIGNMENT

YEAR & SEMESTER:	I year, II semester
HALL TICKET NO.:	23C11E0001
STUDENT NAME:	Anusha Nimmala
COURSE NAME:	International Business
SUBMISSION DATE:	01/05/2024

1.	2.	3.	4.	5.

Anusha . N

STUDENT SIGNATURE

FACULTY SIGNATURE

01. Explain International Business Environment ?

The International Business Environment refers to the set of External factors that affect business operations across national borders. That include political, Economic, social, technological and legal, cultural conditions in different countries.

political :-

Government stability, trade policies and regulations on foreign investment.

Economic :-

Exchange rates, inflation & availability of resources.

social :-

It includes customs life style, preferences, language etc.

Cultural :- life style, traditions, Beliefs etc.

Technological :- Advancement in communication & transportation that affect International trade.

legal factors :- It can vary greatly between countries & can include differences in employment laws, product safety regulations, environment policy etc.

02. What is need for International Business and Explain difference between Domestic and international Business ?

International Business refers to the Economic activities that take place Between Companies located in different countries. There are several reasons why international business is necessary in todays globalised Economy :

Needs

Access to New Markets: Access to foreign markets allows businesses to Expand their customer base and revenue Streams.

Access to Resources: Access refers to the ability to use and benefit from specific resources [material, financial, human, social, political, etc.].

Diversification: Business diversification refers to the strategic expansion of a company into new products, services, or markets to reduce risk and enhance overall business resilience

Competitive Advantage: Many firms that compete in internati-onal markets hope to gain cost advantages.

Innovation: Innovation is the multi-stage process where by organizations transform ideas into new/improved products, services or processes. in order to advance, compete and differentiate themselves successfully in their marketplace.

Difference between Domestic and International Business.

Source	Domestic Business	International Business.
Market size	Domestic markets are typically smaller than International Business.	It is larger than the Domestic business.
Cultural differences	Domestic businesses have homogeneous customers, who have similar tastes, preferences, languages etc.	International Business have heterogeneous customers, who have different tastes, prefere-nces, culture, language etc.

Legal & regulatory differences	Domestic business operates within the legal and regulatory framework of a single country.	[illegible] comply with domestic and the national laws, free trade agreements and regulations.
Currency exchange & financial risk	Domestic business may have limited exposure to foreign exchange risks and economic fluctuations.	International business is exposed to currency fluctuations, political risks, legal uncertainties.
communication challenges	They are in a better position to understand and predict its impact on business.	It faces difficulties in understanding and coping with the different political systems of every country.
logistics and transportation	The area of operation of the domestic business is limited. so it is easy to transport and simple.	The area of operation of the International Business is vast. so it is difficult to transport.

04) Explain any five Traditional or classical theories of International Trade?

<u>Mercantilism Theory</u> :-

It is a Economic theory that was popular in Europe from the 16th to the 18th century. It was based on idea that a nation's wealth & power were measured by the stockpile of precious metals.

According to this theory :-

1. country should aim to increase its exports should aim to decrease its imports in order to accumulate more precious metals. This was believed to improve a countries balance of trade & increase its wealth & power.

2. It include Government subsidies to promote Exports, tariffs on imports to discourage foreign competition & restrictions on the movement of goods & capital across borders.

3. However, the mercantilism approach has been criticized for being too focused on accumulation wealth through trade surplus..

Comparative Advantage theory :-

The theory of comparative advantage is an economic concept developed by david Ricardo in the 19th century. It success that countries should specialize in producing goods and services that they can produce a lower opportunity cost compared to other countries

opportunity cost is the cost of for going the production of one good or service to produce another.

Example1:- If a country can produce one unit of wheat by using fewer resources to the clothes.

Example2:- Agriculture, manufacture, services, labour intensive goods ; huge people. like India - Textiles, Bangladesh - garments.

Explain foreign direct investment [FDI] in India.

Foreign Direct investment [FDI] in India has been steading increasing over the years, making India one of the most attractive destinations for foreign investors. FDI is a Significant source of investment that helps promote economic growth, create employment opportunities & bring in new technology and innovation.

According to data from the department for promotion of industry and internal trade [DPIIT], FDI inflows into India increased by 10% to reach $ 81.72 billion in the fiscal year 2020-21 despite the challenges posed by the covid-19 pandemic. This is the highest ever FDI inflow into India for a fiscal year.

The sectors that received the highest FDI inflows in India 2020-2021 were computer software & hardware, construction, service & trading.

Singapore & US and Mauritius were the top three countries that invested in India during this period.

The Government of India also taken several measures to attract FDI. Such as easing FDI Norms, liberalizing sectors and improving the Ease of doing business.

The Govt. also launched various initiatives such as make in India, Digital India & startup India to encourage FDI & promote entrepreneurship.

However, despite the increasing FDI inflows, India still faces some challenges such as bureaucratic hurdles, complex resulatory infrastructure. None the less, the govt. is taking steps to address these issues and make India a more attractive destination for foreign Investors.

05. Explain the levels, benefits and challenges of Economic Integration?

Economic integration refers to the process of bringing together different economies into a larger and more unified economic System.

Levels of Economic Integration :-

1. preferential trade agreement (PTA) :
This is the lowest level of economic Integration, were countries agree to reduce tariffs and other barriers to trade for a limited range of goods and services.

2. Free Trade agreement (FTA) :
An FTA is a higher level of economic integration where participating countries eliminate tariffs and other trade barriers for a wider range of goods and services.

3) Customs union :-

A customs union involves the free trade of goods and services among participating countries, as well as a common external tariff for trade with non-participating countries.

4) Common market :-

A common market is similar to a customs union, but it also allows for the free movement of factors of production like capital and labour across borders.

5) Economic union :-

An Economic union involves a high degree of economic integration where member countries share a common economic policy, including a common currency, a common monetary policy, and a common fiscal policy.

6) political union :-

This is the highest level of economic integration, where member countries not only share a common economic policy but also a common political system, including a common government, laws, and institutions.

Challenges of economic Integration :-

1. coordination of policies :

Economic integration requires a high degree of policy coordination among participating countries.

2. Disparities in economic development :

Economic integration can exacerbate existing disparities in economic development among participating countries.

3. National sovereignty concerns :

Economic integration can raise concerns about the loss of national sovereignty, as countries must coordinate policies and harmonize regulations to achieve deeper integration.

4. Adjustment costs :

Economic integration can result in short-term adjustment costs for some sectors and industries, as they may face increased competition and disruption.

Benefits of Economic Integration :

1. Increased trade :

Economic integration can lead to increased trade among participating countries, as trade barriers are reduced or eliminated.

2. Higher economic growth :

Economic integration can stimulate economic growth by expanding markets, promoting investment, and increasing competition.

3. Greater efficiency :

Economic integration can lead to greater efficiency by allowing countries to specialize in their comparative advantage and trade countries.

4. Improved competitiveness :

Economic integration can improve the competitiveness of participating countries by promoting efficiency, innovation, and access to new markets.

05. political ~~Cooperation~~ :

Economic integration can promote greater political cooperation among participating countries by creating shared economic interests and promoting mutual trust.

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Ananthagiri (V&M), Kodad, Suryapet (Dt.), Telangana, Pin: 508 206

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MASTER OF BUSINESS ADMINISTRATION

MID 2 ASSIGNMENT

YEAR & SEMESTER:	I YEAR II SEMESTER
HALL TICKET NO.:	23C11E0002
STUDENT NAME:	JIMMIDI. ANVESH
COURSE NAME:	International Business.
SUBMISSION DATE:	30-04-2024

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J. Anvesh.

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Explain International Business Environment?

Ans) The International Business refers to the set of external factors that affect business operating across national borders that include Political, Economic, Social, Technology & Legal, Cultural Conditions in different Countries

Political :- Govt. stability, trade policies & regulations eg on foreign investment.

Economic :- Exchange rates, inflation & availability of resources

Social :- It include customer life style, preference, language etc

Cultural :- Life style, traditions, Beliefs ...etc.

Technological :- Advancement in communication & transportation that affect international Business trade.

Legal factors :- It can vary greatly between countries & can include difference in employment laws, product safety of regulations, environment policy etc....

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(2) What is the need for International Business and Explain differences between Domestic and International Business?

Ans) It refers to the economic activities that take place between companies located in different countries. There are several reasons why international Business is necessary in todays globalization economy.

⇒ Access to new markets

⇒ Access to Resources

⇒ Diversification

⇒ Competitive Advantage

⇒ Innovation

Difference between Domestic & International Business :-

⇒ Market Size

⇒ Cultural difference

⇒ Legal & Regulatory difference

⇒ Currency Exchange & Financial Risk

⇒ Communication challenges

⇒ Logistics & Transportation

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(3) Explain any Two Traditional or Classical Theories of International Trade ?

Ans:

(1) Mercantilism Theory.

(2) Absolute Advantage Theory.

(1) Mercantilism Theory :-

It is a Economic Theory that was popular in Europe from the 16th to the 18th century. It was based on idea that a nation wealth & Power were measured by its stockpile of precious metals.

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According to This Theory :-

① Country should aim to increase its exports should aim to decrease its imports in order to accumulate more precious metals. This was believed to improve a country's balance of trade & increase its wealth & power.

② It include govt. subsidies to promote exports, tariffs on imports to discourage foreign competition & restrictions on the movement of goods & capital across borders.

③ However, the mercantilist approach has been criticized for being too focused on accumulation wealth through trade surplus

② Absolute Advantage Theory :-

The theory of absolute advantage is an economics concept that was introduced by Adam Smith in his book "The wealth of the nations". The theory suggests that a country should be specialize in production goods or services in which it has an a absolute advantage over other countries.

An absolute advantage occurs when a country is able to produce a good or service more efficiently that other country using fewer ~~resources~~ or with a lower cost of production

Example:- If a country 'A' is able to produce 100 cars using 10 workers & country 'B' can produce 100 cars using 15 workers than country 'A' has an absolute advantage in car production.

According to this theory absolute advantage, countries should specialize in the production of goods & services in which they have an absolute advantage. Then trade with other countries for good & services in which they do not have an absolute advantage.

This leads to increased efficiency & economic growth for all countries.

=> India [textile, software, Agriculture, pharma]

=> Japan [electronic goods]

=> Saudi Arabia [oil]

=> China [Brazil coffee]

④ Explain foreign Direct Investment [FDI] in India?

Ans: Foreign Direct Investment (FDI) in India has been steadily of increasing over the years, making india one of the most attractive destinations for foreign investors. FDI is a significant source of investment that helps promote economic growth, create employment opportunities & bring in new technology and innovation.

According to data from the department for promotion of industry and internal trade [DPIIT], FDI inflows into India increased by 10% to reach $ 81.72 billion in the fiscal year 2020-21, despite the challenges posed by the covid-19 pandemic. This is the highest ever FDI inflows into india for a fiscal year.

The Sectors that receives the highest FDI inflows in india in 2020-21 were Computer software & hardware, construction or Service & Trading.

Singapore & US and mauritius were the Top Three Countries that investes in india during this period.

The Govt. of india also taken several measures to attract FDI. Such as easing FDI norms, Liberalizing Sectors and improving the ease of doing business. The govt also launched various initiatives such as make in India, Digital india & startup-India to encourage FDI & promote Entrepreneurship.

However, despite the increasing FDI inflows, india still faces some challenges such as bure aucratic hurdles, complex regulatory infrastructure. None the less, the government is taking steps to address these issues & make india a more attractive destination for foreign investors FDI in india.

5. Explain the levels, benefits and Challenges of Economics Integration?

Ans:- Levels of Economics Integration :-

1. Preferential trade Agreement :- This is the lowest level of Economic integration, where countries agree to reduce tariffs and other barriers to trade for a limited range of goods and services

2. Free Trade Area :- However, there are usually still restricti-on on the movements of factors of production across borders

③ Customs Union :- A Customs union involves the free trade of goods and services among participating countries, as well as a common external tariff for trade with non-participating, of this country.

④ Common market :- A Common market is similar to a customs union. but it also allows for the free movement of factors of the production like capital and labour across borders.

⑤ Economic union :- This level of integration is typically accom-panies by a high degree of political integration as well.

⑥ Political union :- This is the highest level of economic integration where member countries not only share a common economic policy but also a common polical system, including a common government laws and institutions.

Challenges of Economic Integration :-

① Coordination of policy :- Economic integration requires a high degree of policy co-ordination among participating country

② Disparity in Economic Development :- Economic integration can exacerbate existing disparities in economic development among participating countries.

③ National Sovereignty Concerns :- Economic integration can raise concerns about the loss of national sovereignty, as countries must co-ordinate policies and harmonize regulations to to achieve deeper integration.

④ **Adjustment Costs** :- workers and firms in some sectors may require support and assistance to transition to new or new opportunities.

⑤ **Political opposition** :- Economic integration can be controversial and face political opposition from different interest groups, such as labor unions, environmentalists, and domestic industries that may be adversely affected by increased competition.

⑥ **External Shocks** :- Economic integration can make participating countries more vulnerable to external shocks, such as financial crises or natural disasters.

Benefits of Economic Integration :-

① **Increased trade** :- Economic integration can lead to increased trade among participating countries, as trade barriers are reduced or eliminated.

② **Higher Economic growth** :- Economic integration can stimulate economic growth by expanding markets, promoting investment and increasing competition.

③ **Greater Efficiency** :- Economic integration can lead to greater efficiency by allowing countries to specialize in their comparative advantages and trade with other countries.

④ Improves Competitiveness :- Economic integration can improve the competitiveness of participating country by promoting efficiency, innovation, and access to new markets.

⑤ Political Co-operation :- Economic integration can promote greater political co-operation among participating countries by creating shared economic interests and promoting mutual trust.

⑥ Reduces Risk of Conflict :- Economic integration can reduce the risk of conflict among participating country by creating shared economic interests and reducing the potential for dispute over trade and investment.

THE END

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MASTER OF BUSINESS ADMINISTRATION

MID II ASSIGNMENT

YEAR & SEMESTER:	I & II
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STUDENT NAME:	J. Anvesh
COURSE NAME:	International Business
SUBMISSION DATE:	15/7/2024

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Explain any Two regional Economic groups?

(i) __European Union__ :- The European Union [EU] is a political and economic union of 27 member states located primarily in Europe. The EU was established with the signing of the Maastricht Treaty in 1992, and it has since evolved into a single market with a common currency, the euro, and a range of policy and regulation in areas such as agriculture, competition, consumer protection, and the environment.

The EU's main institutions are the European Commission, which serves as the executive branch of the EU, the European parliament, which represents the citizens of the EU member states and the council of the European Union, which represents the member states at the policy-making level. The EU also has a Court of Justice, which is responsible for interpreting EU law and resolving disputes b/w member states and EU institutions. The EU's main goals include promoting economic integration, ensuring peace and stability among member states, and protecting the rights of EU citizens. To achieve these goals, The EU has implemented range of policy and programs, such as the common agricultural policy, the common of fisheries policy, and the European social fund. however, the EU also faces various challenges, such as the on-going Brexit negotiations, the refugee crisis, and the rise of populism and euro scepticism in some member states. Despite these challenges, the EU remains a significant political and economic force in the world, with a combined GDP of over 18 $ trillion and a population of over 447 million people.

(ii) NAFTA :- The north american free Trade agreement was a trilateral trade agreement between the united states, Canada, and mexico that came into effect on January 1st 1994. The agreement aimed to eliminate trade barriers and increase economic co-operation among the three country.

Under NAFTA, the participating country agreed to eliminate its on most goods traded between them and to open up their market to foreign investment. The agreement also includes provisions for the protection of intellectual property rights and the resolution of the disputes b/w member countries. NAFTA had significant impacts on the economic of the three countries. It led to an increase in trade between the participating countries, with the total merchandise trade among the three countries increasing from $ 297 billion in 1993 to over $ 1.1 trillion in 2016. The agreement also resulted in the growth of cross-border supply chains, as business in the three country took advantage of the new opportunity of created by the agreement.

In 2020 NAFTA was replaced by the United states of the Mexico - Canada agreement, which aims to update and modernize the previous agreement while addressing some of the concerns that had been raised about NAFTA.

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(2) Explain the importance of environmental analysis in IB?

Ans: PESTEL Analysis :- PESTEL stands for political, Economic, Sociocultural Technological, environmental and legal factors this framework helps business evaluate the macro-environmental factors that can influence their operations globally. It involves analyzing factors such as government regulations, economic conditions, cultural norms, technological advancements, environmental concerns and legal frameworks across different countries (or) regions.

Market Analysis :- Assessing the market environment is crucial for international business. This includes analyzing market size, growth rates, competitive landscape, customer behaviour, and industry trends. Understanding the dynamics of the target market helps businesses to identify market opportunities and develop appropriate strategies to enter (or) expand their presence.

Competitor Analysis :- Understanding the competitive landscape is essential for international business to position themselves effectively. This analysis involves assessing competitors strengths, weaknesses, strategies, the market share.

Risk Analysis :- Evaluating potential risks and uncertainties is crucial for international business. This includes analyzing political instability, economic volatility, currency fluctuations, legal and regulatory risks, and environmental factors such as climate change (or) natural disasters.

Cultural Analysis :- Culture plays a significant role in international business. Understanding cultural differences and adapting strategies accordingly is vital for the success. This involves analyzing aspects such as language, values, beliefs, social norms and business policy.

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Technology Analysis :- Assessing technological factors is crucial in today's global business environment. This involves analyzing advancements in technology, digital infrastructure, communication tools and E-commerce platforms.

Sustainability Analysis :- Environmental sustainability has gained prominence in recent years. International business has to assess and address environmental concerns to comply with regulatory market or consumer expectations, and enhance their brand image. This analysis involves evaluating factors such as carbon footprint, resource consumption, waste management, and sustainable supply chain policy.

3) What is alliance? Explain benefits and pitfalls?

Ans:- Strategic alliances offer several benefits to the participating organizations, but they also come with potential pitfalls. Here are some of the key benefits and pitfalls of strategic alliances.

Benefits of Strategic alliances :-

Access to New Market :- Strategic alliances can provide access to new markets and customer segments that may be difficult to penetrate individually. By partnering with organizations already established in those market, companies can leverage their partner's distribution of networks, customer base, and local expertise.

Resource Sharing :- Alliances enable organizations to share resources such as technology, manufacturing facility, research and development of capability and intellectual property.

Risk Sharing := By collaborating with a partner, organizations can be distribute the risks associated with new ventures, investments, or market expansions. Sharing financial, operational, and market risks can reduce the overall exposure of each partner and increase the likelihood of success.

Knowledge and Expertise Exchange := Strategic alliances facilitate the exchange of knowledge, expertise, and best practices between partners. This collaboration can result in mutual learning, skill development and access to specialized knowledge (or) capability that may be lacking in one partner but present in the other.

④ Explain the issues involved in international production?

Ans: International production involves sourcing and vertical integration, which are critical aspects of a company's global supply chain strategy.

Sourcing in international production := Sourcing refers to the process of finding and acquiring the necessary raw materials, components (or) finished products from suppliers to meet production needs. When it comes to international production, sourcing takes on added complexity due to cross-border considerations, such as differing regulations, cultural factors, logistical challenges and exchange rate fluctuations.

(a) Supplier selection := Choosing the right suppliers is crucial for the success of international production.

(b) Quality control := Ensuring consistent product quality can be challenging when sourcing from multiple countries. Company need to implement strict quality control measures to maintain their standards across borders.

(c) Logistics & Transportation:- International sourcing involves shipping goods over long distances, which can lead to increased lead times and potential disruptions

(d) Currency Risks:- Fluctuations in exchange rates can impact the cost of sourcing materials from different countries. Companies may need to hedge against currency risks to avoid unexpected financial losses

(e) Cultural and Language Barriers:- Dealing with suppliers from a different country may involve navigating cultural differences and language barriers, which can affect communication and understanding

Vertical Integration in International Production:- Vertical integration is the extent to which a company owns and controls various stages of its supply chain, from raw material extraction to the delivery of the final product to customers

(a) Backward Integration:- Backward integration occurs when a company acquires (or) controls suppliers (or) raw material sources. This strategy can help secure a stable supply of critical inputs and reduce dependence on external suppliers

(b) Forward Integration:- Forward integration involves acquiring (or) controlling distribution channels, retailers (or) even end customers

(c) Capital Investment:- Implementing vertical integration can require significant upfront capital investment, which may be challenging for some companies

Flexibility :- Vertical integration can limit a company's or flexibility to adapt quickly to changing market conditions (or) technological advancements.

(e) Expertise :- operating different stages of the supply chain require specific expertise in each area. Companies need to ensure they have the necessary skills and knowledge to manage all aspects effectively.

(5) Explain cross cultural issues in International Business?

A). Cross - cultural issues in international business refer to the challenges and complexities that arise when organizations operate in diverse cultural environments. These issues can impact various aspects of business operations, relationships and decision - making. Some key cross - cultural issues include.

① Communication styles :- Different cultures have distinct communication norms and preferences. Language barriers, misunderstandings and communication styles and non - verbal cues can lead to and collaboration, collaborations and missing predation affecting

② cultural norms and values :- Divergent cultural norms and values can lead to contrasting business practices and ethics what may be acceptable in one culture might be seen as inappropriate (or) offensive in another, leading to potential conflicts and ethical dilemmas.

③ Business Etiquette :- Business Etiquette, including greetings gift - giving and dining customs, can vary significantly across cultures.

④ Negotiation & Decision making :- Negotiation styles can differ widely across cultures, with some cultures emphasizing direct communication and others relying on indirect (or) implicit communication

⑤ Leadership & management style :- Cultural differences influence leadership and management practices. Some cultures may prioritize hierarchical structures, while others encourage more collaborative and egalitarian approaches

⑥ Time perception :- The perception of time varies among cultures. Some cultures emphasize punctuality and adherence to schedules, while others adopt a more flexible and relaxed approach

⑦ Work - life Balance :- Expectations for work-life balance can differ across cultures. Some cultures prioritize family and personal time, while others emphasize long working hours and dedication to the job. These differences may affect employee well being and retention

⑧ Conflict Resolution :- Different cultures have distinct ways of dealing with conflicts. Some cultures prefer direct and face to face confrontation, while others value harmony and indirect communication

⑨ Team Dynamics :- In international teams, cultural diversity can lead to both strengths and challenges. Teams may experience creativity & problem - solving ability due to diverse perspectives

(iv) Legal & Regulatory Compliance := Complying with local laws & regulations and business practices is critical in IB.

(a) Cultural Awareness & Training := Providing cultural training to employees and leadership can help build cross-cultural understanding & sensitivity.

(b) Localization := Adapting products, services & marketing strategies to local cultural preferences & values can enhance acceptance in the market.

(c) Global HR Policies := Implementing HR policies that consider cross-cultural differences can ensure fair treatment of employees in diverse locations.

(d) Consulting Local Experts := Seeking advice from local experts and consultants can offer valuable insights into cultural norms and business practices.

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MASTER OF BUSINESS ADMINISTRATION

MID II ASSIGNMENT

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SUBMISSION DATE:	15-07-2024

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Asfiya Hunez

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1. Explain any two regional economic groups?

1. European Union:

The European Union (EU) is a political and economic union of 27 member states located primarily in Europe. The EU was established with the signing of the Maastricht treaty in 1992, and it has since evolved into a single market with a common currency, the euro, and a range of policies and regulations in areas such as agriculture, competition, consumer protection, and the environment.

The EU's main institutions are the European Commission, which serves as the executive branch of the EU, the European Parliament, which represents the citizens of the EU member states, and the Council of the European Union, which represents the member states at the policy-making level. The EU also has a Court of Justice, which is responsible for interpreting EU law and resolving disputes between member states and EU institutions.

The EU's main goals include promoting economic integration, ensuring peace and stability among member states, and protecting the rights of EU citizens.

To achieve these goals, the EU has implemented a range of policies and programs, such as the common agricultural policy, the common fisheries policy, and the European Social fund.

However, the EU also faces various challenges, such as the on-going Brexit negotiations, the refugee crisis, and the rise of populism and Euro scepticism in some member states. Despite these challenges, the EU remains a significant political and economic force in the world, with a combined GDP of over $18 trillion and a population of over 447 million people.

2. NAFTA :-

The North American Free Trade Agreement (NAFTA) was a trilateral trade agreement between the United States, Canada and mexico that came into effect on January 1, 1994. The agreement aimed to eliminate trade barriers and increase economic cooperation among the three countries.

Under NAFTA, the participating countries agreed to eliminate tariffs on most goods traded between them

2. Explain the importance of Environmental Analysis in IB?

Environmental Analysis:

Environmental analysis is a crucial aspect of developing strategies and structures for international business. It involves assessing and understanding the external factors that can impact a company's operations and decision-making processes. By conducting a comprehensive environmental analysis, businesses can identify opportunities and threats in the global marketplace, adapt to changing conditions and make informed decisions to achieve their objectives.

PESTEL Analysis: PESTEL stands for Political, Economic, Sociocultural, Technological, Environmental, and Legal factors. This framework helps businesses evaluate the macro environmental factors that can influence their operations globally.

Market Analysis: Assessing the market environment is crucial for international businesses. This includes analyzing market size, growth rates, competitive landscape, customer and to open up their markets to foreign investment. The agreement also included provisions for the protection of intellectual property rights and the resolution of disputes between member countries.

NAFTA had significant impacts on the economies of the three countries. It led to an increase in trade between the participating countries, with total merchandise trade among the three countries increasing from $297 billion in 1993 to over $1.1 trillion in 2016. The agreement also resulted in the growth of cross-border supply chains, as businesses in the three countries took advantage of the new opportunities created by the agreement.

However, NAFTA also faced criticism from various stakeholders. Critics argued that the agreement led to the loss of jobs in certain sectors, such as manufacturing, in the United states, as companies moved their operations to Mexico, where labor costs were lower.

In 2020, NAFTA was replaced by the United States-Mexico-Canada Agreement (USMCA), which aimed to update and modernize the previous agreement while addressing some of the concerns that had been raised about NAFTA.

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behaviour, and industry trends.

Competitor Analysis: Understanding the competitive landscape is essential for international businesses to position themselves effectively. This analysis involves assessing competitors strengths, weaknesses, strategies and market share.

Risk Analysis: Evaluating potential risks and uncertanities is crucial for international businesses. This includes analyzing political instability, economic volatility, currency fluctuations, legal and regulatory risks, and environmental factors such as climate change or natural disasters.

Cultural Analysis:- Culture plays a significant role in international business. Understanding cultural differences and adapting strategies accordingly is vital for success. This involves analyzing aspects such as language, values, beliefs, social norms, and business practices.

Technology Analysis:- Assessing technological factors is crucial in today's global business environment. This involves analyzing advancements in technology, digital infrastructure, communication tools, and e-commerce platforms.

Sustainability Analysis:- Environmental sustainability has gained prominance in recent years. International businesses need to assess and address environmental concerns to comply with regulations, meet customer expectations, and enhance their brand Image. This analysis Involves evaluating factors such as carbon footprint, resource consumption, waste management and sustainable supply chain practices.

By conducting a comprehensive environmental analysis, businesses can gain valuable insights to develop effective strategies and structures for international operations. This analysis helps them identify opportunities, mitigate risks, understand cultural nuances, and adapt to the ever-changing global business landscape.

5

) What is Alliance? Explain benefits and Pitfalls?

Strategic alliances are cooperative agreements or partnerships between two or more organizations that aim to achieve mutual benefits and strategic objectives. These alliances are formed to leverage the complementary strengths and resources of the participating entities (them) enabling them to achieve their individual goals more effectively than they could on their own.

Benefits of Strategic Alliances:

Access to New Markets: Strategic alliances can provide access to new markets or customer segments that may be difficult to penetrate individually. By partnering with organizations already established in those markets, companies can leverage their partner's distribution networks, customer base, and local expertise.

Resource Sharing: Alliances enable organizations to share resources, such as technology, manufacturing facilities, research and development capabilities, and intellectual property.

Risk sharing: By collaborating with a partner, organizations can distribute the risks associated with new ventures, investments, or market expansions.

Knowledge and Expertise Exchange: Strategic alliances facilitate the exchange of knowledge, expertise, and best practices. between partners. This collaboration can result in mutual learning, skill development, and access to specialized knowledge or capabilities that may be lacking in one partner but present in the other.

Pitfalls of Strategic Alliances:

Lack of Trust and Coordination: Successful alliances require a high level of trust and effective coordination between the partners. If trust is lacking, or if there is poor communication or coordination, the alliance may suffer from delays, conflicts, and suboptimal decision-making, leading to reduced effectiveness or even failure.

Loss of Control:- When entering into a strategic alliance, organization must relinquish some level of control over certain aspects of their business. This loss of control can be challenging, especially if decisions or actions by the partner do not align with the expectations or interests of one party.

Unbalanced Benefits:- If the benefits and contributions of each partner in the alliance are not fairly balanced, resentment and dissatisfaction can arise. One partner may feel that they are not receiving their fair share of the rewards, leading to strains in the relationship and potential conflicts.

Alliance Dissolution: strategic alliances may have a limited lifespan or may dissolve prematurely due to changing market conditions, shifts in partner priorities, or conflicts that cannot be resolved. The dissolution of an alliance can result in financial losses, damage to reputation and the loss of resources or capabilities that were dependent on the partnership.

4. Explain the issues involved in International Production?

International production involves sourcing and vertical integration, which are critical aspects of a company's global supply chain strategy. Let's explore these two issues in more detail:

Sourcing in International Production:

Sourcing refers to the process of finding and acquiring the necessary raw materials, components, or finished products from suppliers to meet production needs.

Here are some key issues related to internationational sourcing:

a. Supplier Selection: Choosing the right suppliers is crucial for the success of international production. Companies need to assess the reliability, quality, capacity, and cost-effectiveness of potential suppliers in different countries.

b. Quality Control: Ensuring consistent product quality can be challenging when sourcing from multiple countries. Companies need to implement strict quality control measures to maintain their standards across borders.

c. Logistics and Transportation: International sourcing involves shipping goods over long distances, which can lead to increased lead times and potential disruptions.

d. Currency Risks: Fluctuations in exchange rates can impact the cost of sourcing materials from different countries. Companies may need to hedge against currency risks to avoid unexpected financial losses.

e. Cultural and Language Barriers: Dealing with suppliers from different countries may involve navigating cultural differences and language barriers, which can affect communication and understanding.

Vertical Integration in International Production:-

Vertical integration is the extent to which a company owns and controls various stages of its supply chain, from raw material extraction to the delivery of the final product to customers. It can manifest in two ways:

a. **Backward integration:-** Backward integration occurs when a company acquires or controls suppliers or raw material sources.

b. **Forward integration:-** Forward integration involves acquiring or controlling distribution channels, retailers, or even end customers.

Key issues related to vertical integration in international production include:

Capital Investment: Implementing vertical integration can require significant upfront capital investment, which may be challenging for some companies.

Flexibility:- Vertical integration can limit a company's flexibility to adapt quickly to changing market conditions or technological advancements.

Expertise:- Operating different stages of the supply chain requires specific expertise in each area. Companies need to ensure they have the necessary skills and knowledge to manage all aspects effectively.

Regulatory and Competitive Environment: The level of vertical integration that is feasible or allowed may vary depending on the regulatory environment and competition laws in different countries.

5

5) Explain cross cultural issues in IB?

Cross cultural issues in International Business:

Cross-cultural issues in international business refer to the challenges & complexities that arise when organizations operate in diverse cultural environments. Some key cross-cultural issues include:

1. **Communication Styles:** Different cultures have distinct communication norms and preferences. Language barriers, varying communication styles, and non-verbal cues can lead to misunderstandings and misinterpretations, affecting collaboration and productivity.
2. **Cultural Norms and Values:** Divergent cultural norms and values can lead to contrasting business practices and ethics. What may be acceptable in one culture might be seen as inappropriate or offensive in another, leading to potential conflicts and ethical dilemmas.

Scanned with ACE Scanner

3. Business Etiquette: Business etiquette, including greetings, gift-giving, and dining customs, can vary significantly across cultures.

4. Negotiation and Decision-Making: Negotiation styles can differ widely across cultures, with some cultures emphasizing direct communication and others relying on indirect or implicit communication.

5. Leadership and Management Styles: Cultural differences influence leadership and management practices. Some cultures may prioritize hierarchial structures, while others encourage more collaborative and egalitarian approaches.

6. Time perception: The perception of time varies among cultures. Some cultures emphasize punctuality and adherence to schedules, while others adopt a more flexible and relaxed approach.

7. Work-Life Balance: Expectations for work-life balance can differ across cultures. Some cultures prioritize family and personal time, while others emphasize long working hours and dedication to the job.

8. Conflict Resolution:- Different cultures have distinct ways of dealing with conflicts. Some cultures prefer direct confrontation, while others value harmony and indirect

communication.

9. Team Dynamics:

In international teams, cultural diversity can lead to both strengths and challenges. Teams may experience enhanced creativity and problem-solving abilities due to diverse perspectives, but misunderstandings and conflict may also arise.

10. Legal and Regulatory Compliance:

Complying with local laws, regulations, and business practices is critical in international business. Failure to do so can result in legal issues and damage the company's reputation.

Adressing Cross-Cultural Issues:

* Cultural Awareness and Training: Providing cultural training to employees and leadership can help build cross-cultural understanding and sensitivity.

* Localization: Adapting products, services, and marketing strategies to local cultural preferences and values can enhance acceptance in new markets.

* **Diverse Teams and Leadership:**

Emphasizing diversity in teams and leadership can promote a more inclusive and adaptable organizational culture.

* **Global HR Policies:**

Implementing HR policies that consider cross-cultural differences can ensure fair treatment of employees in diverse locations.

* **Consulting Local Experts:**

Seeking advice from local experts and consultants can offer valuable insights into cultural nuances and business practices.

Effectively navigating cross-cultural issues in international business is essential for building successful global operations, fostering positive relationships with stakeholders and achieving long-term success in diverse markets.

Unit - I

Need

International Business :

①

It refers to the economic activities that take place between companies located in different countries. There are several reasons why international business is necessary in todays globalised economy:

- → Access to new markets
- → Access to Resources
- → Diversification
- → Competitive Advantage
- → Innovation.

②

Drivers of International Business

- → market expansion
- → Access to Resources
- → Cost Savings
- → Competitive Advantage
- → Risk Diversification
- → Govt Policies & Regulations

IB Method

- → Exporting
- → Licensing
- → Franchising
- → JV
- → FDI
- → Strategic alliance
- → M&A

[redacted]

[redacted]

Ease of Doing Business (World Bank)

The ease of doing business (EODB) is an index published by the world bank that measures the regulatory environment and how easy or difficult it is for business to operate and thrive in a particular country. The index is based on ten indicators that measures various aspects of the business environment

total marks are 100

1 — Singapore
6 — US
63 — India

including
→ starting business → construction permits
→ getting electricity → Registering property
→ getting credit → protecting minority investors
→ paying taxes → trading across borders
→ Enforcing contracts → resolving insolvency

Top 10
→ Singapore
→ NZ
→ Hong Kong
→ Denmark
→ South Korea
→ US
→ Georgia
→ Norway
→ UK
→ Sweden

neglect social, labor, environment, corruption important but it should not be only one.

— The EODB index ranks countries based on their overall score on these indicators with higher score indicates a more conductive business environment. The index is updated annually,
— the rankings are used by govt, business, investors etc.

2022 — Indian Rank is 63 out of 190 country

Opportunities & Challenges in IB

[redacted]

Opportunities in International Business

- → Global market access
- → Diversification
- → Innovation
- → Cost savings
- → Talent acquisition
- → Competitive Advantage
- → Strategic partnership
- → Brand Building

Challenges in International Business

- → Cultural Differences
- → Political and legal issues
- → Currency Fluctuations
- → Logistics & supply chain management
- → Market Entry Barriers
- → Human Resource management
- → Ethical & Social Responsibility
- → Cybersecurity Risks

[redacted] [redacted]

Approches of International Business

→ Ethnocentric approch

- This approch is characterized by the belief that the home countrys practices, policies & procedures are superior to those of other countries. Companies using this approch tend to centralize decision making in their home country and rely on expatiates to manage operations in other countries

→ Polycentric approch

- This approch involving adaption to the local market & culture of the host country. Companies using this approch using decentralize decision making to the local subsidiries

→ Regiocentric approch

- This approch using grouping countries into regions and common stratergy for each region. Companies using this approch tend to take advantage of economy to scale.

→ Geo centric approch :- This approch involves integrating global and local considerations into decision making - balance the benefits.

[redacted]

[redacted] Differences Between Domestic & International Business

- → Market size
- → cultural differences
- → Legal & regulatory differences
- → currency exchange & financial risk
- → Communication challenges
- → logistics & transportation

multi National Corporation

A MNC is a large Company that operates in multiple countries, with a home base in one country and branches or subsidiaries in other countries. MNCs often have a global presence & conduct business activities across borders such as manufacturing, marketing & sales. MNC have significant Resources such as advanced technology, access to capital & expertise in various fields. Coca-Cola, Samsung, Toyota etc., [redacted] 20/04/2023 [redacted]

International Business Environment

The IB Environment refers to the set of external factors that affect businesses operating across national borders. That include political, economic, social, technological & legal, cultural conditions in different countries.

Political :- Govt. stability, trade policies & regulations on Foreign Investment

Economic : Exchange rates, inflation & availability of resources

Social :- as it include customer life style, preferences, language etc..

Cultural : lifestyle, traditions, beliefs etc.

Technological :- advancement in communication & transportation that affect international trade

Legal factors :- It can vary greatly between countries & can include differences in employment law, product safety regulations, environment policy etc.,

[redacted]

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Unit - II

International Trade Theories

Classical Theories

1. Mercantilism Theory

It is a economic theory that was popular in Europe from the 16th to the 18th century. It was based on idea that a nation wealth & power were measured by its stockpile of precious metals.

According to this theory

(1) country should aim to increase its exports should aim to decrease its imports in order to accumulate more precious metals. This was believed to improve a countrys balance of trade & increase its wealth & power.

(2) It include govt. subsidies to promote exports, tariffs on imports to discourage foreign competition & restrictions on the movement of goods & capital across borders

(3) However, the mercantilist approach has been criticized for being too focused on accumulating wealth through trade surplus.

[redacted]

(on cost 9

2. Absolute Advantage Theory

The theory of absolute advantage is an economic concept that was introduced by Adam Smith in his book " The wealth of the nations" . The theory suggests that a country should specialize in producing goods or services in which it has an absolute advantage over other countries.

An absolute advantage occurs when a country is able to produce a good or service more efficiently than other country , using fewer resources or with a lower cost of production.

Example:- If a country "A" is able to Produce 100 cars using 10 workers & country "B" can produce 100 cars using 15 workers . Than country 'A' has an absolute advantage in car production.

According to this theory absolute Advantage , countries should specialize in the production of goods & services in which they have an absolute advantage. & then trade with other countries for goods & services in which they do not have an absolute advantage.

This leads to a increased efficiency & economic growth for all countries.

→ Japan (Electronic goods)
→ Saudi Arabia (Oil)
→ China (textiles)
→ Brazil (coffee)

India: Textile, Software, Agriculture, Pharma

[redacted] [redacted]

3. Comparative Advantage Theory

The Theory of comparative advantage is an economic concept developed by david Ricardo in the early 19th century. It suggests that countries should specialize in producing goods & services that they can produce a lower opportunity cost compared to other countries.

Opportunity cost is the cost of forgoing the production of one good or service to produce another.

Example: If a country can produce one unit of wheat by using fewer resources than the cloth.

Examples :-
- → Agriculture
- → Manufacturing
- → Services
- → Labor-intensive goods: here people countries like India - textiles, ~~need~~ low wages
  China - producing toys
  Bangladesh - garments

[redacted] (11) [redacted]

inputs for producing goods

quantity & quality of a country's productive resources

4. Factor Endowment Theory

The Factor endowment theory is an economic theory that explains international trade patterns based on a country factor endowments (or) the quantity and quality of its productive resources such as land, labor and Capital. The Theory suggests that a country will export goods that use its abundant factors of production relatively intensively and import goods that use its scare factors of production relatively intensively.

Example: A country with abundant (labor) labour & limited Capital may have comparative advantage in production labor-intensive goods such as textiles or garments.

Such as a country having abundant capital & limited labour may have a comparative advantage in production capital intensive goods such as machinery (or) electronics

It was developed by Eli Heckscher & B. Ohlin in the early 20th century.

*

[redacted]

Modern Theories

[redacted]

I) Country Similarity Theory

The country similarity theory suggests that countries with similar cultural, economic & political characteristics tend to trade more with each other than with countries that have different characteristics. This theory is based on the idea that countries with similar characteristics can more easily understand each other needs & preferences leading to greater trade flow.

This theory is often uses to explain patterns of international trade & investment, as well as the formation of regional trade blocs. It suggests that countries within a region or with similar cultural backgrounds are more likely to engage in free trade agreements & regional economic integration.

This theory have criticized for oversimplifying the complexity of international trade barriers, transportation costs, comparative advantage etc.,

→ EU

→ NAFTA (North American Free Trade Agreement)

US, Canada, Mexico

Darussalam, Cambodia, Malaysia, Myanmar, Laos, Phil, Sin, Thy, Viet

→ ASEAN (The Association of Southeast Asian Nations)

[redacted]

2. Product life cycle Theory

The product life cycle theory is a well known theory in international trade that explains how the stages of a products life cycle can affect its international trade pallerns. The theory was first proposed by Raymond Vernon in 1966.

According to the PLC theory, a product goes through several stages in its life cycle including introduction, growth, maturity & decline. During Introduction stage the product is new and there is little or no competition. As the product grows, it becomes more widely known and more competitors enter the market. Eventually, the market becomes saturated and the product reaches maturity at this stage there is little room for growth & product may start to decline.

in Introduction stage product produced & sold in home country, however as product grows it becomes profitable to export it to other countries. In the maturity stage the product may produced & sold in many countries. In decline stage, production may be shifted to countries with lower labor costs or the product may be replaced by newer product

[redacted] [redacted]

2. New Trade Cycle Theory (or) New Trade Theory

It is a set of models that explains the pattern of international trade based on economies of scale, product differentiation and imperfect competition.

The new trade theory emerged in the 1970's and 1980's and challenges the traditional assumptions of international trade theory, which primarily focused on comparative advantage and the gains from trade resulting from differences in factor endowment between countries

The new trade theory argues that firms have the ability to capture economies of scale in production, which can lead to lower production costs and greater profitability. The theory suggests that these economies of scale along with differentiation products & imperfect competition, can explain why some countries specialize in the production and export of certain goods even some other countries have similar factor endowments

The new trade theory has important implications for international trade policy, particularly in the area of trade agreements, regional integration & trade facilitation. It suggests that trade policies that promote competition, innovation & investment in human capital can help countries realize the benefits of economies of scale and specialization in production.

[redacted]

4. National Competitive Advantage theory (or) Dimond theory

[redacted]

The theory of national Competitive Advantage, also known as the dimond model, was developed by michael Porter in his book "The Competitive advantage of nations" in 1990 he is from Harvard B. School.

The theory aims to explain why certain industries and countries are more Competitive than other in international trade & business

sample size = 10 nations & 100 industries

According to him the four factors that determine a nations Competitive Advantage

→ Factor Conditions

→ Demand Conditions

→ Related & supporting industries

→ Firm strategy & structure

Japan - Automobile

Switzerland - export of Pharma

Germany & US - Chemicals

India's foreign Trade

It refers to the exchange of goods (both exports, Imports) of goods & services between India and other countries. India is one of the largest economies in the world and has a significant presence in the global trade arena.

India foreign Trade is regulated by the ministry of Commerce & industry (FEMA). The major components of India's foreign Trade include exports, imports & FDI.

India's exports consist of a diverse range of products including petroleum products, gems, Jewelary, engineering goods, chemicals, textiles & agri products. The major exports destinations for India US, UAE, PRC, Singapore, HK

India imports consist of a wide range of goods including crude oil, gold, electronic goods, chemicals & machinery. The major import sources are PRC, US, Saudi, UAE, Iraq, Aust.

India has been working to increase its foreign trade & attract more foreign direct investment. Indian govt has implemented several policies & initiatives to promote exports & attract FDI. such as make in India, & Foreign Trade Policy.

Additionally, India has signed several free trade agreements with other countries and is a member of the WTO. Overall India's foreign trade plays a vital role in its economy, contributing significantly to its growth & development.

FDI in India

Foreign Direct Investment (FDI) in India has been steadily increasing over the years, making India one of the most attractive destinations for foreign investors. FDI is a significant source of investment that helps promote economic growth, create employment opportunities & bring in new technology and innovation. According to data from the department for promotion of industry and internal trade (DPIIT), FDI inflows into India increased by 10% to reach $81.72 billion in the fiscal year 2020-21, despite the challenges posed by the Covid-19 pandemic. This is the highest ever FDI inflow into India for a fiscal year.

The sectors that received the highest FDI inflows in India in 2020-21 were computer software, & hardware, construction, service & trading.

Singapore & US and mauritius were the top three countries that invested in India during this period.

The Govt. of. India also taken several measures to attract FDI. such as easing FDI norms, liberalizing sectors and improving the ease of doing business. The Govt also launched variety initiatives such as make in India, Digital India, & Startup - India to encourage FDI & Promote entrepreneurship.

However, despite the increasing FDI inflows, India still faces some challenges such as bureaucratic hurdles, complex regulatory infrastructure. Nonetheless, the government is taking steps to address these issues & make India a more attractive destination for foreign Investors

Balance of Payments

Balance of Payments (BoP) is a systematic record of all economic transactions made between residents of a country and the rest of the world during a particular period , usually a year. The BoP accounts are an essential economic indicator that reflects a countrys economic transactions with the rest of world including imports & exports and financial transactions

BoP accounts keep track of both its payments to and its receipts from other countries. A summary copy of the U.S. balance of payments

The BoP is divided into three main categories : a) current Account
b) Capital Account
c) Reserve Account

a) Current Account : The Current Account includes all transactions related to the export and import of goods & services . Such as raw material finished goods & agri products . It also include income earned

[redacted] [redacted]

from foreign investments and transfers fund b/w countries

(B) Capital A/c : The Capital account tracks the flow of financial capital between a country and the rest of world and includes all financial transactions that involve capital transfers such as the purchase & sale of Assets.

(C) Reserve account :- This tracks the changes in a country official reserve assets such as foreign currencies, Gold & IMF special drawing rights.

A Surplus current indicates that a country exporting more than it is importing and is therefore earning more foreign exchange.

A Surplus Capital account indicate that country attracting more FDI than it is investing Abroad.

A Surplus Reserve A/c show country is building up its official Reserves

overall BoP is crucial for policymakers & analysts to understand country economic position

Unit-III

International business and economic Integration

Economic Integration

Economic integration refers to the process of bringing together different economies into a larger and more unified economic system. This can involve various forms of cooperation between countries, such as reducing trade barriers, harmonizing economic policies and regulations, and promoting the free movement of goods, services, capital, and labour across borders.

Levels of Economic Integration

Preferential trade agreement (PTA): This is the lowest level of economic integration, where countries agree to reduce tariffs and other barriers to trade for a limited range of goods and services. PTAs do not usually involve the free movement of factors of production like capital and labor.

- Free trade area (FTA): An FTA is a higher level of economic integration where participating countries eliminate tariffs and other trade barriers for a wider range of goods and services. However, there are usually still restrictions on the movement of factors of production across borders.
- Customs union: A customs union involves the free trade of goods and services among participating countries, as well as a common external tariff for trade with non-participating countries. This means that member countries can adopt a common trade policy towards non-member countries.
- Common market: A common market is similar to a customs union, but it also allows for the free movement of factors of production like capital and labour across borders. This level of integration requires a higher degree of coordination and harmonization of policies among member countries.
- Economic union: An economic union involves a high degree of economic integration, where member countries share a common economic policy, including a common currency, a common monetary policy, and a common fiscal policy. This level of integration is typically accompanied by a high degree of political integration as well.
- Political union: This is the highest level of economic integration, where member countries not only share a common economic policy but also a common political system, including a common government, laws, and institutions. This level of

integration is the most comprehensive and requires a high degree of coordination and cooperation among member countries.

Challenges of Economic Integration

While economic integration can bring about various benefits, there are also several challenges associated with it. Here are some of the common challenges of economic integration:

- Coordination of policies: Economic integration requires a high degree of policy coordination among participating countries. This can be challenging, as countries may have different priorities and goals. Differences in economic, political, and social systems can also complicate coordination efforts.

- Disparities in economic development: Economic integration can exacerbate existing disparities in economic development among participating countries. The benefits of integration may accrue more to economically advanced countries, while less developed countries may struggle to compete and adapt to the new environment.

- National sovereignty concerns: Economic integration can raise concerns about the loss of national sovereignty, as countries must coordinate policies and harmonize regulations to achieve deeper integration. Some countries may be reluctant to give up control over their economic policies and regulations.

- Adjustment costs: Economic integration can result in short-term adjustment costs for some sectors and industries, as they may face increased competition and disruption. Workers and firms in these sectors may require support and assistance to transition to new opportunities.

- Political opposition: Economic integration can be controversial and face political opposition from different interest groups, such as labor unions, environmentalists, and domestic industries that may be adversely affected by increased competition.

- External shocks: Economic integration can make participating countries more vulnerable to external shocks, such as financial crises or natural disasters. These shocks can have spill over effects across borders and disrupt the stability of the integrated economic system.

Benefits of Economic Integration

Economic integration can bring about various benefits to participating countries. Here are some of the common benefits of economic integration

- Increased trade: Economic integration can lead to increased trade among participating countries, as trade barriers are reduced or eliminated. This can increase the volume of trade, expand market access, and promote specialization and efficiency.
- Higher economic growth: Economic integration can stimulate economic growth by expanding markets, promoting investment, and increasing competition. This can lead to higher productivity, output, and incomes.
- Greater efficiency: Economic integration can lead to greater efficiency by allowing countries to specialize in their comparative advantages and trade with other countries. This can lead to lower costs, higher quality, and greater innovation.
- Improved competitiveness: Economic integration can improve the competitiveness of participating countries by promoting efficiency, innovation, and access to new markets. This can help firms to expand and grow, while also benefiting consumers through lower prices and greater variety.
- Political cooperation: Economic integration can promote greater political cooperation among participating countries by creating shared economic interests and promoting mutual trust. This can facilitate greater cooperation on other issues, such as security, diplomacy, and the environment.
- Reduced risk of conflict: Economic integration can reduce the risk of conflict among participating countries by creating shared economic interests and reducing the potential for disputes over trade and investment. This can promote greater stability and security in the region.

Free Trade Agreement

A free trade agreement (FTA) is a type of economic integration between two or more countries that aims to reduce or eliminate trade barriers such as tariffs, quotas, and other restrictions on trade in goods and services between the participating countries. An FTA allows the participating countries to increase trade and investment by reducing the costs of doing business across borders, improving market access, and promoting competition.

FTAs typically cover a wide range of trade-related issues such as rules of origin, customs procedures, intellectual property rights, investment, and dispute settlement. They may also include provisions for the liberalization of services trade, such as financial, telecommunications, and transportation services.

FTAs are usually negotiated by governments and are legally binding agreements. They are often bilateral (between two countries) or regional (between multiple countries within a geographic region), but there are also some multilateral FTAs such as the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) and the European Free Trade Association (EFTA).

FTAs can provide various benefits, including increased trade and investment flows, lower prices for consumers, greater market access for businesses, and improved economic growth and development. However, FTAs may also have some drawbacks, such as the risk of trade diversion, the possibility of job losses in certain industries, and the potential for negative environmental and social impacts.

The Customs Union

A customs union is a form of economic integration in which participating countries agree to eliminate internal tariffs and establish a common external tariff on imports from non-member countries. This means that member countries allow goods to move freely within the union without paying any duties or taxes on imports from other member countries. However, they impose the same tariff rates on imports from outside the union, creating a common external tariff.

In a customs union, participating countries usually negotiate common policies and regulations on trade-related issues such as rules of origin, product standards, and health and safety requirements. This is intended to create a level playing field for businesses and prevent non-member countries from circumventing the common external tariff by exporting to a member country with lower tariffs and then re-exporting to another member country with higher tariffs.

Examples of customs unions include the Andean Community of Nations (CAN) in South America, the Eurasian Economic Union (EAEU) in Eurasia, and the Southern African Customs Union (SACU) in southern Africa.

Customs unions can provide various benefits, such as increased trade and investment, economies of scale, enhanced competition, and improved market access. However, customs unions can also face challenges, such as the need for policy coordination among participating countries, potential disparities in economic development, and concerns about the loss of national sovereignty.

Common Market

A common market is a form of economic integration where participating countries allow the free movement of goods, services, capital, and labour within the market and establish a common external tariff on imports from non-member countries. In addition to this, a common market typically involves a degree of harmonization of policies, regulations, and standards among the participating countries.

The European Union (EU) is an example of a common market, which has evolved into a political and economic union. The EU's common market is based on the "four freedoms," which include the free movement of goods, services, capital, and people within the market. In addition to this, the EU has established a common external tariff and harmonized policies and regulations in various areas, such as competition law, consumer protection, and environmental standards.

The aim of the common market is to create a level playing field for businesses and to promote economic integration among participating countries. By removing barriers to the free movement of goods, services, capital, and labour, the common market aims to enhance competition, increase trade and investment, and improve economic growth and development.

However, the common market also faces various challenges, such as the need for policy coordination among participating countries, potential disparities in economic development, and concerns about the loss of national sovereignty.

The Economic Union

An economic union is a type of economic integration that involves a deeper level of integration than a customs union or a common market. In an economic union, participating countries agree to not only remove internal tariffs and establish a common external tariff, but also to harmonize economic policies, regulations, and standards among the member countries. This means that participating countries typically have a common currency, a common market for goods and services, and a common policy framework.

The European Union (EU) is an example of an economic union, which has evolved from a common market into a political and economic union. The EU's economic union is based on the "four freedoms," which include the free movement of goods, services, capital, and people within the market. In addition to this, the EU has established a single currency, the euro, and a central bank, the European Central Bank, to manage monetary policy. The EU also has a common policy framework in various areas, such as agriculture, competition law, consumer protection, and environmental standards.

The aim of the economic union is to deepen economic integration among participating countries and to promote closer political cooperation. By creating a common currency and harmonizing economic policies, regulations, and standards, the economic union aims to enhance economic growth and development, increase trade and investment, and improve competitiveness in the global economy.

However, the economic union also faces various challenges, such as the need for policy coordination and decision-making among participating countries, potential disparities in economic development, and concerns about the loss of national sovereignty.

Arguments against economic integration

Loss of national sovereignty: Participating countries may feel that their sovereignty is compromised by the need to harmonize policies, regulations, and standards with other member countries.

- Potential disparities in economic development: Economic unions may exacerbate existing economic disparities between participating countries, leading to unequal benefits and costs.
- Lack of flexibility: Economic unions may limit the ability of participating countries to respond to economic shocks and other changes in the global economy.
- Democratic deficit: Critics argue that economic unions lack democratic accountability, as decision-making may be dominated by larger and more powerful member countries.
- Overall, the arguments for and against economic unions are complex and depend on various factors, such as the specific context, the degree of integration, and the policies and regulations in place

Regional Economic Groups

1. European Union

The European Union (EU) is a political and economic union of 27 member states located primarily in Europe. The EU was established with the signing of the Maastricht Treaty in 1992, and it has since evolved into a single market with a common currency, the euro, and a range of policies and regulations in areas such as agriculture, competition, consumer protection, and the environment.

The EU's main institutions are the European Commission, which serves as the executive branch of the EU, the European Parliament, which represents the citizens of the EU member states, and the Council of the European Union, which represents the member states at the policy-making level. The EU also has a Court of Justice, which is responsible for interpreting EU law and resolving disputes between member states and EU institutions.

The EU's main goals include promoting economic integration, ensuring peace and stability among member states, and protecting the rights of EU citizens. To achieve these goals, the EU has implemented a range of policies and programs, such as the common agricultural policy, the common fisheries policy, and the European Social Fund.

However, the EU also faces various challenges, such as the on-going Brexit negotiations, the refugee crisis, and the rise of populism and Euro scepticism in some member states. Despite these challenges, the EU remains a significant political and economic force in the world, with a combined GDP of over $18 trillion and a population of over 447 million people.

2. NAFTA

The North American Free Trade Agreement (NAFTA) was a trilateral trade agreement between the United States, Canada, and Mexico that came into effect on January 1, 1994. The agreement aimed to eliminate trade barriers and increase economic cooperation among the three countries.

Under NAFTA, the participating countries agreed to eliminate tariffs on most goods traded between them and to open up their markets to foreign investment. The agreement also included provisions for the protection of intellectual property rights and the resolution of disputes between member countries.

NAFTA had significant impacts on the economies of the three countries. It led to an increase in trade between the participating countries, with total merchandise trade among the three countries increasing from $297 billion in 1993 to over $1.1 trillion in 2016. The agreement also resulted in the growth of cross-border supply chains, as businesses in the three countries took advantage of the new opportunities created by the agreement.

However, NAFTA also faced criticism from various stakeholders. Critics argued that the agreement led to the loss of jobs in certain sectors, such as manufacturing, in the United States, as companies moved their operations to Mexico, where labor costs were lower. The agreement also faced criticism for its environmental and labor standards, which were seen as inadequate by some observers.

In 2020, NAFTA was replaced by the United States-Mexico-Canada Agreement (USMCA), which aimed to update and modernize the previous agreement while addressing some of the concerns that had been raised about NAFTA.

3. ASEAN

The Association of Southeast Asian Nations (ASEAN) is a regional intergovernmental organization comprising 10 countries in Southeast Asia: Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar, the Philippines, Singapore, Thailand, and Vietnam. ASEAN was established in 1967 with the signing of the ASEAN Declaration in Bangkok, Thailand, with the aim of promoting economic cooperation and regional stability.

ASEAN has since expanded its mandate to include cooperation in areas such as education, culture, environment, science and technology, and health. The organization has also established a range of political and security initiatives, such as the ASEAN Regional Forum and the ASEAN Defence Ministers Meeting.

One of ASEAN's main goals is to promote regional economic integration and cooperation. In pursuit of this goal, ASEAN has established the ASEAN Free Trade Area (AFTA), which aims to create a single market and production base among member countries. AFTA has led to the elimination of tariffs on most goods traded within the region and the reduction of non-tariff barriers.

ASEAN has also established various other economic initiatives, such as the ASEAN Economic Community (AEC), which aims to promote greater economic integration among member states through measures such as the free flow of goods, services, and investment, as well as the freer movement of skilled labor.

Despite its achievements, ASEAN faces various challenges, such as political instability in some member countries, disputes over territorial claims in the South China Sea, and the need to address the development gap between its member states. Nonetheless, ASEAN remains a significant regional organization, with a combined GDP of over $3 trillion and a population of over 650 million people.

4. SAARC

The South Asian Association for Regional Cooperation (SAARC) is a regional intergovernmental organization comprising eight member states in South Asia: Afghanistan, Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan, and Sri Lanka. SAARC was established in 1985 with the aim of promoting economic cooperation and regional integration among its member states.

SAARC's activities are organized around a range of areas, such as agriculture, energy, environment, health, and transportation. One of its main goals is to promote regional economic integration and cooperation, with the aim of creating a South Asian Free Trade Area (SAFTA) by reducing tariffs and non-tariff barriers on trade between member countries.

However, SAARC has faced various challenges, including political and military tensions between member countries, such as the long-standing conflict between India and Pakistan, which have hampered its ability to function effectively. As a result, SAARC's progress has been slow and it has been criticized for its inability to achieve its goals.

In recent years, some member countries have also pursued alternative regional groupings, such as the Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC), which includes five SAARC member states as well as Bhutan and Myanmar, or the Bangladesh-China-India-Myanmar Economic Corridor (BCIM-EC), which seeks to promote economic cooperation between the four countries.

Despite its challenges, SAARC remains an important regional organization, with a combined GDP of over $3.5 trillion and a population of over 1.8 billion people.

5. QUAD

The Quad, also known as the Quadrilateral Security Dialogue, is a strategic grouping comprising four countries: the United States, Japan, India, and Australia. The Quad was first proposed in 2007, but it was not until 2017 that the four countries reconvened for their first official meeting in Manila, Philippines.

The Quad's main goal is to promote a free and open Indo-Pacific region and enhance regional security and prosperity. The group seeks to achieve this through a range of initiatives, such as promoting freedom of navigation, upholding international law, and advancing economic development.

The Quad has faced criticism and pushback from some countries, particularly China, which has viewed the grouping as an attempt to contain its rise as a global power. However, the Quad's member countries have emphasized that the group is not aimed at containing any particular country and that it is open to engaging with other countries in the region.

In recent years, the Quad has gained momentum, with the member countries holding regular meetings at various levels, including at the leader's level. The group has also expanded its focus to include areas such as COVID-19 response and vaccine distribution, climate change, and critical and emerging technologies.

The Quad's growing influence and significance have led to some countries in the region expressing interest in joining the grouping or engaging with it more closely, while others have expressed concerns about its potential implications for regional dynamics.

6. G8

The Group of Eight, or G8, was a forum comprising the world's leading industrialized nations. The original members were Canada, France, Germany, Italy, Japan, the United Kingdom, and the United States. In 1997, Russia joined the group, making it the G8. The group held annual summits where leaders discussed various global issues, such as trade, development, and security.

The G8 was founded in 1975, originally as the Group of Six, and was later expanded to include Canada in 1976. The group's focus was primarily economic, with a goal of promoting cooperation and coordination among the world's leading industrialized nations. Over time, the G8's agenda expanded to include a range of other issues, such as climate change, energy, and global health. However, the G8's role as a global forum has been challenged in recent years, with some arguing that its composition is no longer representative of the world's economic and political realities.

In 2014, the G8 became the G7 once again, after Russia's membership was suspended following its annexation of Crimea. The group continues to hold annual summits, and while its influence has waned in recent years, it remains an important forum for global economic and political issues.

Multilateral Trade Agreements

1. GAAT

The General Agreement on Tariffs and Trade (GATT) was a multilateral trade agreement that was signed in 1947 and came into effect in 1948. GATT's main objective was to promote international trade by reducing trade barriers such as tariffs and quotas. It was based on the principles of non-discrimination, most-favored-nation (MFN) treatment, and national treatment.

GATT was initially signed by 23 countries and was later expanded to include over 100 countries. The agreement was revised several times through a series of rounds of negotiations, with the most significant being the Uruguay Round, which concluded in 1994. The Uruguay Round resulted in the creation of the World Trade Organization (WTO) and the signing of the Agreement on Agriculture, the Agreement on Textiles and Clothing, and the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS), among others.

The WTO replaced GATT as the main organization overseeing international trade, and it has 164 member countries as of 2021. The WTO's main objective is to ensure that trade flows as smoothly, predictably, and freely as possible, and to provide a forum for members to negotiate trade agreements and resolve disputes.

The WTO has faced criticism and controversy, particularly in recent years as the global trading system has become increasingly polarized and protectionist. Some critics argue that the WTO's rules and procedures have been ineffective in preventing unfair trade practices and protecting the interests of developing countries. However, the WTO remains an important forum for international trade negotiations and dispute settlement, and it continues to play a significant role in shaping the global trading system.

2. WTO

The World Trade Organization (WTO) is an intergovernmental organization that was established in 1995 to promote international trade and resolve disputes related to trade among its member countries. The organization is based in Geneva, Switzerland, and has 164 member countries as of 2021.

The WTO's main objectives are to facilitate the flow of goods and services across borders, remove trade barriers such as tariffs and quotas, and provide a forum for negotiating new trade agreements and resolving disputes related to trade.

The WTO operates on a consensus-based decision-making process, with each member country having one vote. The organization's activities are governed by a series of agreements, including the General Agreement on Tariffs and Trade (GATT), which was signed in 1947 and revised several times, culminating in the Uruguay Round in 1994, which led to the creation of the WTO.

The WTO has faced criticism and controversy, particularly in recent years as the global trading system has become increasingly polarized and protectionist. Some critics argue that the WTO's rules and procedures have been ineffective in preventing unfair trade practices and protecting the interests of developing countries.

However, the WTO remains an important forum for international trade negotiations and dispute settlement, and it continues to play a significant role in shaping the global trading system. The WTO has also been instrumental in promoting the growth of global trade, which has led to increased economic growth and development around the world.

6. TRIPS and TRIMS

TRIPS and TRIMS are two agreements that were signed as part of the Uruguay Round of negotiations that led to the creation of the World Trade Organization (WTO) in 1995.

TRIPS stand for Trade-Related Aspects of Intellectual Property Rights. It is an agreement that sets out minimum standards for protecting and enforcing intellectual property rights, including patents, copyrights, trademarks, and trade secrets, among others. The agreement aims to encourage innovation and technology transfer while also ensuring that intellectual property rights are not abused or used to create unfair trade barriers.

TRIPS has been the subject of controversy, with some critics arguing that it places too much emphasis on protecting the interests of multinational corporations and developed countries at the expense of developing countries. Others argue that TRIPS is necessary to protect intellectual property rights and encourage innovation.

TRIMS stands for Trade-Related Investment Measures. It is an agreement that seeks to eliminate trade barriers that are created by investment measures imposed by governments. TRIMS requires that WTO members eliminate or phase out investment measures that discriminate against foreign investors, restrict the transfer of technology, or require local content requirements

UNCTAD

UNCTAD stands for the United Nations Conference on Trade and Development. It is a permanent intergovernmental body within the United Nations (UN) system that promotes inclusive and sustainable development through international trade, investment, finance, and technology.

UNCTAD was established in 1964 with the goal of supporting developing countries in their efforts to integrate into the global economy and benefit from international trade. The organization provides research, analysis, policy advice, and technical assistance to member states, particularly developing countries, to help them navigate the complexities of international trade and investment.

The key objectives of UNCTAD include:

Promoting international trade as an instrument for development: UNCTAD advocates for a fair and equitable international trading system that benefits all countries, particularly developing nations. It aims to address trade imbalances, trade barriers, and unfair practices to create a more inclusive global trade environment.

Fostering sustainable development: UNCTAD emphasizes the importance of integrating economic, social, and environmental dimensions in development policies. It promotes sustainable trade and investment practices that contribute to poverty reduction, environmental protection, and social inclusivity.

Assisting in investment and enterprise development: UNCTAD provides guidance and technical assistance to countries in attracting and promoting both domestic and foreign investment. It helps countries develop investment policies, improve their business climate, and enhance the capacity of local enterprises to participate in global value chains.

Promoting technology for development: UNCTAD supports the transfer of technology to developing countries, enabling them to enhance their productive capacities and participate in technological advancements. It facilitates knowledge-sharing and collaboration among countries, institutions, and businesses to harness the potential of technology for development.

Undertaking research and analysis: UNCTAD conducts research and analysis on various aspects of international trade, finance, investment, and development. Its reports, publications, and statistical databases provide valuable insights and information for policymakers, researchers, and the public.

UNCTAD operates through its secretariat based in Geneva, Switzerland, and consists of all UN member states. It holds conferences, organizes expert meetings, and provides technical assistance to member countries. UNCTAD also collaborates with other UN agencies, regional organizations, and stakeholders to promote global economic cooperation and sustainable development.

INTERNATIONAL TRADE POLICY OF INDIA

India's international trade policy is aimed at promoting exports, attracting foreign investment, and increasing competitiveness in the global market. The country has been a member of the World Trade Organization (WTO) since 1995, and its trade policy is guided by the principles of the WTO, as well as other international agreements and bilateral trade agreements.

India's trade policy is formulated by the Ministry of Commerce and Industry, and the government has taken several steps to liberalize and reform its trade regime in recent years. Some of the key features of India's trade policy include:

Liberalization of trade: India has gradually opened up its economy to international trade and investment, and has reduced tariffs and non-tariff barriers on a wide range of goods and services. The government has also taken steps to simplify and streamline trade procedures and reduce trade-related transaction costs.

Focus on exports: India has launched several initiatives to promote exports, including the "Make in India" campaign, which aims to boost manufacturing and increase exports of goods and services. The government has also established export promotion councils and trade facilitation centres to provide support to exporters.

Bilateral and regional trade agreements: India has signed several bilateral and regional trade agreements, including with countries such as Japan, South Korea, ASEAN, and the European Union. These agreements aim to reduce trade barriers and increase market access for Indian goods and services.

Investment promotion: India has taken several steps to attract foreign investment, including liberalizing foreign direct investment (FDI) regulations in several sectors and launching initiatives such as the "Invest India" campaign.

Protecting domestic industries: India has also taken measures to protect domestic industries, including through the use of tariffs and other trade remedies such as antidumping and countervailing duties. The government has also launched several initiatives to promote domestic manufacturing and reduce dependence on imports.

Overall, India's international trade policy is aimed at promoting exports, attracting foreign investment, and increasing competitiveness in the global market while also protecting the interests of domestic industries.

Unit – IV

Strategy and Structure of International Business

Environmental Analysis:

Environmental analysis is a crucial aspect of developing strategies and structures for international business. It involves assessing and understanding the external factors that can impact a company's operations and decision-making processes. By conducting a comprehensive environmental analysis, businesses can identify opportunities and threats in the global marketplace, adapt to changing conditions, and make informed decisions to achieve their objectives.

Here are some key elements of environmental analysis in the context of international business:

PESTEL Analysis: PESTEL stands for Political, Economic, Sociocultural, Technological, Environmental, and Legal factors. This framework helps businesses evaluate the macro-environmental factors that can influence their operations globally. It involves analyzing factors such as government regulations, economic conditions, cultural norms, technological advancements, environmental concerns, and legal frameworks across different countries or regions.

Market Analysis: Assessing the market environment is crucial for international businesses. This includes analyzing market size, growth rates, competitive landscape, customer behaviour, and industry trends. Understanding the dynamics of the target market helps businesses identify market opportunities and develop appropriate strategies to enter or expand their presence.

Competitor Analysis: Understanding the competitive landscape is essential for international businesses to position themselves effectively. This analysis involves assessing competitors' strengths, weaknesses, strategies, and market share. By identifying competitors' actions and anticipating their moves, businesses can formulate competitive strategies and differentiate themselves in the global market.

Risk Analysis: Evaluating potential risks and uncertainties is crucial for international businesses. This includes analyzing political instability, economic volatility, currency fluctuations, legal and regulatory risks, and environmental factors such as climate change or natural disasters. By identifying and assessing these risks, businesses can develop contingency plans, mitigate potential threats, and seize opportunities that arise from uncertain situations.

Cultural Analysis: Culture plays a significant role in international business. Understanding cultural differences and adapting strategies accordingly is vital for success. This involves analyzing aspects such as language, values, beliefs, social norms, and business practices. By understanding cultural nuances, businesses can tailor their products, marketing strategies, and operational approaches to fit the local context.

Technology Analysis: Assessing technological factors is crucial in today's global business environment. This involves analyzing advancements in technology, digital infrastructure, communication tools, and e-commerce platforms. Understanding the technological landscape helps businesses adopt relevant technologies, improve operational efficiency, and capitalize on digital transformation opportunities.

Sustainability Analysis: Environmental sustainability has gained prominence in recent years. International businesses need to assess and address environmental concerns to comply with regulations, meet consumer expectations, and enhance their brand image. This analysis involves evaluating factors such as carbon footprint, resource consumption, waste management, and sustainable supply chain practices.

By conducting a comprehensive environmental analysis, businesses can gain valuable insights to develop effective strategies and structures for international operations. This analysis helps them identify opportunities, mitigate risks, understand cultural nuances, and adapt to the ever-changing global business landscape.

Value Chain Analysis:

Value Chain Analysis is a framework that helps businesses analyze the activities and processes involved in delivering a product or service to customers. It identifies and assesses the value-adding activities within an organization, enabling businesses to identify opportunities for cost reduction, differentiation, and competitive advantage. In the context of international business, Value Chain Analysis can be used to understand how activities are performed across different countries or regions and optimize the global operations of a company.

Here's how Value Chain Analysis can be applied in international business:

Inbound Logistics: This includes activities such as sourcing raw materials, transportation, and inventory management. In international business, companies can analyze the efficiency and cost-effectiveness of their inbound logistics processes across different countries. They can evaluate factors such as supplier selection, transportation routes, customs procedures, and warehousing strategies to optimize their supply chain and ensure timely delivery of inputs.

Operations: This involves the processes of transforming inputs into finished products or services. In international business, companies can assess their production processes and facilities in different locations. They can analyze factors such as labor costs, productivity, technology adoption, quality control, and production efficiency to identify opportunities for optimization, cost reduction, and operational improvement.

Outbound Logistics: This includes activities such as packaging, distribution, and transportation of finished products to customers. In the context of international business, companies can evaluate their outbound logistics processes across different markets. They can analyze factors such as distribution networks, transportation modes, customs requirements, and customer service to enhance the efficiency and effectiveness of their delivery systems.

Marketing and Sales: This involves activities related to promoting and selling products or services to customers. In international business, companies can analyze their marketing and sales strategies across different markets. They can assess factors such as market segmentation, branding, pricing, advertising, and distribution channels to tailor their marketing efforts and effectively reach diverse customer segments in different countries.

Service: This includes activities related to providing customer support, after-sales service, and maintenance. In international business, companies can analyze their service processes across different regions. They can assess factors such as customer expectations, service delivery mechanisms, warranty policies, and technical support to ensure consistent and satisfactory customer experiences globally.

Support Activities: These activities support the primary value-adding functions within an organization. In international business, companies can analyze support activities such as procurement, technology development, human resource management, and infrastructure. They can assess factors such as supplier relationships, research and development capabilities, talent acquisition and retention, and IT infrastructure to strengthen their global operations and gain a competitive edge.

By conducting a Value Chain Analysis in the context of international business, companies can identify areas of strengths and weaknesses within their global operations. This analysis helps businesses optimize their value-adding activities, streamline processes, reduce costs, enhance customer value, and create a competitive advantage in the global marketplace. It also enables companies to identify opportunities for strategic partnerships, outsourcing, or off shoring to maximize efficiency and access specialized capabilities in different regions.

Strategies in International Business

In international business, various strategies are employed to navigate the complexities of operating in global markets and to achieve business objectives. Here are some common types of strategies used in international business:

Global Standardization Strategy: This strategy focuses on offering standardized products or services across different markets. The aim is to achieve economies of scale, cost efficiencies, and consistent brand image. Companies using this strategy typically adopt a standardized approach to marketing, production, and distribution.

Localization Strategy: In contrast to the global standardization strategy, the localization strategy emphasizes adapting products or services to meet the specific needs and preferences of local markets. This approach recognizes cultural, economic, and regulatory differences among countries and tailors offerings accordingly.

Transnational Strategy: The transnational strategy seeks to achieve a balance between global integration and local responsiveness. It involves coordination and collaboration among various subsidiaries and business units across different countries to leverage global resources and capabilities while adapting to local market conditions.

Export Strategy: This strategy involves selling products or services produced in the home country to customers in other countries. It may involve direct exports (selling directly to foreign customers) or indirect exports (using intermediaries such as agents or distributors).

Licensing and Franchising Strategy: This strategy involves granting the rights to use intellectual property, such as trademarks, patents, or business models, to foreign entities in exchange for royalties or fees. Licensing typically refers to the transfer of technology or know-how, while franchising involves granting the rights to use an entire business model and brand.

Joint Venture and Strategic Alliance Strategy: Joint ventures and strategic alliances involve partnerships between two or more companies from different countries. Joint ventures entail the creation of a new entity, while strategic alliances involve collaboration between separate entities. These strategies allow companies to access local knowledge, share risks and resources, and benefit from each other's expertise.

Acquisition and Merger Strategy: This strategy involves acquiring or merging with a company in another country to expand market presence, gain access to new technologies or resources, or achieve other strategic objectives. Acquisitions involve buying a controlling stake in an existing company, while mergers involve combining two or more companies to form a new entity.

Global Supply Chain Strategy: This strategy focuses on optimizing the flow of goods, services, and information across the global supply chain. It involves selecting suppliers, distribution channels, and logistics strategies to enhance efficiency, reduce costs, and improve responsiveness to customer demands.

These are just a few examples of strategies in international business. Companies often combine and adapt these strategies based on their specific goals, market conditions, and competitive dynamics in each country or region they operate in.

Strategy Implementation process

The strategy implementation process in the context of international business (IB) involves additional considerations and complexities due to the global nature of operations. Here are some key steps to consider when implementing a strategy in international business:

Analyze the International Environment: Conduct a thorough analysis of the international market and the specific countries or regions where you plan to operate. Consider factors such as political stability, economic conditions, legal and regulatory frameworks, cultural differences, competitive landscape, and market potential. This analysis will help you understand the opportunities and challenges in the international market.

Develop an International Business Strategy: Based on the analysis of the international environment, develop a comprehensive international business strategy. Determine your target markets, market entry modes (such as exporting, licensing, joint ventures, or direct investment), and product/service adaptation strategies. Align your international strategy with your overall organizational strategy.

Build International Partnerships: Identify and establish partnerships with local entities or stakeholders in your target markets. This could involve forming alliances with distributors, suppliers, or strategic partners who have knowledge of the local market and can help facilitate market entry and operations. Build relationships and networks to leverage local expertise and resources.

Adapt Products and Services: Customize your products or services to meet the specific needs and preferences of the target international markets. This may involve modifications to packaging, labelling, pricing, features, or branding to align with local regulations, cultural norms, and customer preferences. Ensure that your offerings are competitive and culturally appropriate.

Develop an International Marketing Plan: Create a marketing plan that addresses the unique aspects of international markets. Consider factors such as language, cultural differences, media channels, and distribution channels. Develop targeted marketing campaigns that resonate with the local audience and effectively communicate the value proposition of your products or services.

Establish International Operations: Set up the necessary infrastructure and operational capabilities to support your international business activities. This may include establishing local offices, manufacturing facilities, distribution networks, or logistics partnerships. Ensure compliance with local regulations, tax requirements, and legal frameworks in each target market.

Manage International Human Resources: Develop strategies for managing international human resources, including recruitment, training, and development of a global workforce. Address challenges related to cultural diversity, language barriers, and local labor laws. Foster a global mindset and promote cross-cultural collaboration within the organization.

Implement International Supply Chain Management: Develop an efficient and resilient international supply chain that can effectively manage sourcing, transportation, customs, and distribution across borders. Consider factors such as lead times, transportation costs, trade regulations, and risk mitigation strategies to ensure smooth operations and timely delivery.

Monitor and Mitigate Risks: International business involves various risks, including political, economic, legal, and cultural risks. Implement risk management strategies to identify, assess, and mitigate these risks. Stay updated on changes in the international environment and adapts your strategies accordingly.

Evaluate and Adapt: Continuously monitor and evaluate the performance of your international business operations. Assess the effectiveness of your strategy implementation, market penetration, customer satisfaction, and financial performance. Use feedback and data to make informed decisions and adapt your strategies as needed.

Remember, the implementation of an international business strategy requires a deep understanding of the global market dynamics, cultural nuances, and international regulations. Seek expert advice and local market knowledge to navigate the complexities of international business successfully.

Control and Evaluation of Strategy Implementation process in IB

Control and evaluation play a crucial role in the strategy implementation process in international business (IB). They help ensure that the implemented strategies are on track, aligned with the desired outcomes, and effectively contributing to the organization's international business objectives. Here are key steps to consider for control and evaluation in IB strategy implementation:

Establish Performance Metrics: Define performance metrics and key performance indicators (KPIs) that align with the international business objectives. These metrics can include financial measures (e.g., revenue growth, profit margins, return on investment), market share, customer satisfaction, operational efficiency, and compliance with local regulations. Ensure that the metrics are specific, measurable, attainable, relevant, and time-bound (SMART).

Monitor Progress: Regularly monitor and track the performance of international business activities and initiatives. Collect relevant data and information to assess the progress made toward achieving the strategic objectives. This can involve gathering data on sales figures, market trends, customer feedback, operational metrics, and other relevant performance indicators. Implement robust data collection and reporting systems to ensure accurate and timely information.

Conduct Comparative Analysis: Compare the actual performance of international business operations against the predetermined performance metrics and benchmarks. Analyze any deviations or gaps between planned and actual performance to identify areas that require attention or improvement. This analysis can help identify strengths, weaknesses, opportunities, and threats related to the international business strategy.

Perform Risk Assessment: Evaluate the risks associated with international business operations and their potential impact on strategy implementation. Assess political, economic, legal, cultural, and operational risks that may affect the success of the strategy. Implement risk management strategies to mitigate identified risks and ensure the resilience of international business activities.

Review Compliance: Ensure compliance with local regulations, laws, and ethical standards in each target market. Monitor regulatory changes and adapt the international business operations accordingly. Regularly review compliance with import/export regulations, taxation requirements, intellectual property rights, labor laws, and environmental regulations.

Evaluate Financial Performance: Assess the financial performance of international business operations. Analyze revenue and profit margins, return on investment (ROI), cash flow, and other financial indicators. Evaluate the cost-effectiveness of international expansion and identify areas where financial performance can be optimized.

Seek Customer Feedback: Collect customer feedback to assess satisfaction levels, understand their needs and preferences, and evaluate the effectiveness of international marketing and product strategies. Utilize customer surveys, focus groups, and market research to gather insights and identify areas for improvement.

Conduct Periodic Reviews: Schedule regular reviews of the international business strategy implementation process. These reviews can be conducted at predetermined intervals or milestones to assess progress, evaluate outcomes, and identify opportunities for refinement. Involve key stakeholders and relevant departments to gather diverse perspectives and insights.

Adjust Strategies and Tactics: Based on the control and evaluation results, make necessary adjustments to the international business strategies, tactics, and operational plans. Adapt to changing market conditions, competitive dynamics, and customer preferences. Implement corrective actions to address performance gaps and leverage successful practices.

Continuous Learning and Improvement: Foster a culture of continuous learning and improvement in international business operations. Encourage knowledge sharing, feedback loops, and organizational learning. Document lessons learned and best practices to inform future strategy development and implementation.

By implementing effective control and evaluation mechanisms, international businesses can gain insights into their performance, make informed decisions, and optimize their strategies to achieve international business success.

Strategic Alliances, Nature

Strategic alliances are cooperative agreements or partnerships between two or more organizations that aim to achieve mutual benefits and strategic objectives. These alliances are formed to leverage the complementary strengths and resources of the participating entities, enabling them to achieve their individual goals more effectively than they could on their own.

The nature of strategic alliances can vary depending on the specific objectives and context of the partnering organizations. Here are some key aspects of the nature of strategic alliances:

Mutual Benefit: Strategic alliances are typically based on the principle of mutual benefit, where all participating organizations expect to gain advantages from the collaboration. These benefits can include accessing new markets, sharing resources and expertise, reducing costs, enhancing competitiveness, and improving innovation.

Shared Risks and Rewards: In strategic alliances, the participating organizations share both risks and rewards. By combining their capabilities and resources, they can undertake ventures or projects that might be too risky or costly for a single entity. If successful, the rewards and benefits are distributed among the alliance partners.

Collaboration and Cooperation: Strategic alliances involve close collaboration and cooperation between the partnering organizations. They work together towards a common goal, sharing information, knowledge, and resources. Effective communication, trust, and a shared vision are essential for the success of these alliances.

Flexibility: The nature of strategic alliances allows for flexibility in terms of the scope and duration of the collaboration. Alliances can range from short-term project-based partnerships to long-term joint ventures or equity alliances. This flexibility enables organizations to adapt and respond to changing market conditions or strategic priorities.

Multiple Forms: Strategic alliances can take various forms, including joint ventures, licensing agreements, research and development collaborations, distribution agreements, supply chain partnerships, marketing alliances, and more. The choice of alliance form depends on the specific objectives, industry dynamics, and the desired level of integration between the partners.

Competitive and Cooperative Elements: Strategic alliances often involve both competitive and cooperative elements. While alliance partners work together towards shared goals, they may still compete in other areas of their business. Managing these dynamics requires clear boundaries, effective communication, and a focus on the common objectives of the alliance.

Overall, strategic alliances provide organizations with opportunities to leverage their strengths, expand their capabilities, and create synergies that can lead to competitive advantages in the market. However, successful alliances require careful planning, alignment of objectives, effective governance structures, and ongoing collaboration between the participating organizations.

Benefits, Pitfalls of Strategic Alliances

Strategic alliances offer several benefits to the participating organizations, but they also come with potential pitfalls. Here are some of the key benefits and pitfalls of strategic alliances:

Benefits of Strategic Alliances:

Access to New Markets: Strategic alliances can provide access to new markets or customer segments that may be difficult to penetrate individually. By partnering with organizations already established in those markets, companies can leverage their partner's distribution networks, customer base, and local expertise.

Resource Sharing: Alliances enable organizations to share resources, such as technology, manufacturing facilities, research and development capabilities, and intellectual property. This sharing of resources can lead to cost savings, improved efficiencies, and accelerated innovation.

Risk Sharing: By collaborating with a partner, organizations can distribute the risks associated with new ventures, investments, or market expansions. Sharing financial, operational, and market risks can reduce the overall exposure of each partner and increase the likelihood of success.

Knowledge and Expertise Exchange: Strategic alliances facilitate the exchange of knowledge, expertise, and best practices between partners. This collaboration can result in mutual learning, skill development, and access to specialized knowledge or capabilities that may be lacking in one partner but present in the other.

Increased Competitive Advantage: By combining complementary strengths, organizations can enhance their competitive advantage. Strategic alliances enable partners to leverage each other's core competencies, expand their product or service offerings, or create unique value propositions that set them apart from competitors.

Pitfalls of Strategic Alliances:

Cultural and Organizational Differences: Organizations entering into alliances may have different organizational cultures, values, and ways of doing business. These differences can lead to conflicts, miscommunication, and difficulties in aligning strategies and objectives. It is crucial to address and manage these differences effectively to ensure the success of the alliance.

Lack of Trust and Coordination: Successful alliances require a high level of trust and effective coordination between the partners. If trust is lacking, or if there is poor coordination and communication, the alliance may suffer from delays, conflicts, and suboptimal decision-making, leading to reduced effectiveness or even failure.

Loss of Control: When entering into a strategic alliance, organizations must relinquish some level of control over certain aspects of their business. This loss of control can be challenging, especially if decisions or actions by the partner do not align with the expectations or interests of one party. Balancing control and autonomy is a delicate aspect of alliance management.

Unbalanced Benefits: If the benefits and contributions of each partner in the alliance are not fairly balanced, resentment and dissatisfaction can arise. One partner may feel that they are not receiving their fair share of the rewards, leading to strains in the relationship and potential conflicts.

Alliance Dissolution: Strategic alliances may have a limited lifespan or may dissolve prematurely due to changing market conditions, shifts in partner priorities, or conflicts that cannot be resolved. The dissolution of an alliance can result in financial losses, damage to reputation, and the loss of resources or capabilities that were dependent on the partnership.

To mitigate these pitfalls, organizations should invest in thorough due diligence, establish clear goals and expectations, develop effective governance structures, maintain open and transparent communication, and continuously monitor and evaluate the alliance's performance.

The scope of a strategic alliance

The scope of a strategic alliance refers to the extent and range of activities, resources, and objectives that are covered by the alliance agreement between partnering organizations. The scope determines the boundaries and focuses of the collaboration and outlines what aspects of the business will be included in the alliance. The scope can vary widely depending on the specific goals, industry, and context of the alliance. Here are some aspects to consider regarding the scope of a strategic alliance:

Geographic Scope: The geographic scope of the alliance defines the regions or countries where the partnership will operate. It could be a local, regional, national, or global scope, depending on the target markets and expansion plans of the partnering organizations.

Product or Service Scope: The scope can also be defined by the specific products or services that will be the focus of the alliance. For example, two companies in the pharmaceutical industry might form an alliance to jointly develop and market a specific drug or treatment.

Functional Scope: The functional scope determines the specific areas or functions within the organizations that will be involved in the alliance. This could include areas such as research and development, manufacturing, marketing, distribution, or supply chain management.

Time Frame: The time frame of the alliance defines the duration or period for which the partnership is established. It can range from short-term alliances for specific projects or initiatives to long-term alliances with ongoing collaboration and joint ventures.

Strategic Objectives: The scope of the alliance should align with the strategic objectives of the partnering organizations. This includes the goals, outcomes, and milestones that the alliance aims to achieve, such as market expansion, cost reduction, technological innovation, or risk sharing.

Governance and Decision-making: The scope should also define the governance structure and decision-making processes within the alliance. It clarifies how decisions will be made, how resources will be allocated, and how risks and rewards will be shared among the partners.

Intellectual Property and Confidentiality: The scope may also include provisions related to intellectual property rights and confidentiality. It outlines how intellectual property developed within the alliance will be shared or protected and how sensitive information will be handled.

It's important for partnering organizations to carefully define and agree upon the scope of the alliance to ensure clarity, alignment, and effective collaboration. Clear and well-defined scope can help manage expectations, reduce conflicts, and enhance the chances of achieving the desired outcomes and benefits from the alliance.

The development process of a strategic alliance

The development process of a strategic alliance involves several key stages and activities. While the specific steps and sequence may vary depending on the context and nature of the alliance, here is a general outline of the alliance development process:

Strategy and Objective Setting:

Define the strategic objectives: Identify the reasons for forming the alliance, such as market expansion, resource sharing, or technological collaboration. Determine the desired outcomes and benefits.

Conduct a partner search: Identify potential alliance partners that align with the strategic objectives and possess complementary capabilities or resources.

Evaluate and select partners: Assess the suitability of potential partners based on criteria such as compatibility, reputation, financial stability, and shared values.

Due Diligence and Negotiation:

Conduct due diligence: Exchange information with potential partners to assess their financial, operational, legal, and cultural aspects. Evaluate the risks, synergies, and compatibility between the organizations.

Negotiate the terms: Define the terms and conditions of the alliance, including the scope, objectives, resource commitments, governance structure, decision-making processes, intellectual property rights, and financial arrangements. Seek legal and expert advice as necessary.

Agreement Formation:

Prepare the agreement: Draft a formal agreement or contract that captures the terms and conditions negotiated between the partners. This includes the legal, operational, and financial aspects of the alliance.

Review and finalize: Review the agreement with legal teams and other relevant stakeholders. Revise and finalize the agreement based on feedback and consensus.

Alliance Implementation:

Establish governance structures: Define the governance framework, roles, and responsibilities of each partner. Establish mechanisms for decision-making, dispute resolution, and performance monitoring.

Resource allocation and integration: Determine how resources, such as technology, capital, human resources, and knowledge, will be shared or integrated. Develop processes for communication, collaboration, and coordination.

Develop an implementation plan: Create a detailed plan outlining the steps, timelines, and milestones for executing the alliance. Assign responsibilities and allocate necessary resources to ensure smooth implementation.

Alliance Management and Review:

Monitor performance: Track the progress of the alliance against the agreed-upon objectives and metrics. Regularly review key performance indicators and address any issues or deviations.

Relationship management: Foster effective communication, trust, and collaboration between the partnering organizations. Maintain regular interaction and resolve conflicts promptly.

Continuous improvement: Identify opportunities for optimizing the alliance's performance, capturing additional value, or adapting to changing circumstances. Encourage innovation and learning within the alliance.

Throughout the alliance development process, it is crucial to maintain open and transparent communication, build trust and mutual understanding, and manage expectations between the partnering organizations. Flexibility, adaptability, and a focus on mutual benefit are essential for the long-term success of the alliance

Economic Considerations for Strategic Alliances

Economic considerations play a significant role in strategic alliances. When forming and managing alliances, organizations carefully evaluate the potential economic benefits and costs involved. Here are some key economic considerations for strategic alliances:

Cost Reduction: One of the primary economic drivers for forming alliances is cost reduction. By sharing resources, capabilities, and infrastructure, partnering organizations can achieve economies of scale, reduce production costs, and streamline operations. This can include sharing manufacturing facilities, distribution networks, research and development expenses, or marketing costs.

Access to New Markets: Strategic alliances can provide access to new markets or customer segments, which can lead to increased sales and revenue. By leveraging the partner's existing market presence, distribution channels, or local expertise, organizations can expand their reach and tap into new sources of demand.

Risk Sharing: Alliances allow organizations to share risks associated with market uncertainties, investments, and new ventures. By pooling resources and expertise, partners can mitigate individual risks and increase the likelihood of success. This risk sharing can include sharing financial investments, technology development costs, or market entry risks.

Complementary Resources and Capabilities: Strategic alliances often involve partnering organizations with complementary resources and capabilities. Each partner brings unique strengths and expertise that, when combined, create synergies and competitive advantages. This collaboration allows for the efficient utilization of resources, specialization, and improved overall performance.

Innovation and Knowledge Transfer: Alliances facilitate the exchange of knowledge, technology, and best practices between partners. By sharing research and development efforts, intellectual property, and expertise, organizations can accelerate innovation, reduce development costs, and gain access to new technologies or processes.

Increased Bargaining Power: Through alliances, organizations can enhance their bargaining power with suppliers, customers, or other stakeholders. By combining their market share, purchasing volume, or negotiating strength, partners can negotiate better terms, secure favorable contracts, or gain leverage in the marketplace.

Financial Performance and Value Creation: Ultimately, strategic alliances are expected to create economic value for the participating organizations. This value can be realized through increased sales, cost savings, improved profitability, market expansion, enhanced competitiveness, or increased market capitalization.

However, it's important to note that economic considerations are not the sole determinants of alliance success. Factors such as strategic fit, cultural compatibility, effective governance, and trust between partners are also critical for achieving the desired outcomes. Organizations must carefully balance economic considerations with other strategic and operational factors to ensure the long-term viability and success of the alliance.

Choosing an Organizational Design Structure in IB

When expanding into international markets, organizations need to carefully consider their organizational design structure in order to effectively manage their international operations. The choice of organizational design structure in international business (IB) depends on various factors, including the company's strategic goals, the nature of its operations, the level of centralization or decentralization desired, and the cultural and regulatory context of the target market. Here are some common organizational design structures in IB:

Centralized Structure: In a centralized structure, decision-making authority and control are concentrated at the headquarters or home country. This structure allows for strong coordination and uniformity of operations across different international locations. It is suitable when the organization desires a high level of control, standardized operations, and when decision-making expertise is concentrated at the headquarters.

Decentralized Structure: In contrast to a centralized structure, a decentralized structure grants decision-making authority to local subsidiaries or regional offices. This structure allows for greater flexibility and adaptation to local market conditions and customer preferences. It is suitable when the organization wants to empower local teams, foster innovation, and respond quickly to local market dynamics.

Matrix Structure: A matrix structure combines elements of both centralized and decentralized structures. It involves dual reporting lines where employees report both to functional managers at headquarters and to local managers in specific geographic regions or business units. This structure facilitates efficient coordination, information sharing, and specialization across different dimensions (geographical, functional, product lines, etc.).

Transnational Structure: A transnational structure aims to strike a balance between global integration and local responsiveness. It seeks to leverage global synergies while allowing for adaptation to local market conditions. It involves a network of interconnected units that collaborate closely to achieve global objectives while also catering to local needs. This structure is suitable for organizations with extensive global operations and a need for both standardization and customization.

International Division Structure: In an international division structure, the organization establishes a separate division or department responsible for managing international operations. This division typically operates semi-autonomously, with dedicated resources and decision-making authority specific to international markets. It is suitable when international operations are significant enough to warrant dedicated attention and resources.

Regional Structure: In a regional structure, the organization divides its operations based on geographical regions. Each region has its own management and decision-making authority, allowing for better focus on specific regional dynamics, regulations, and cultural nuances. This structure is suitable when the organization's operations span multiple regions with distinct market characteristics.

It's important to note that there is no one-size-fits-all approach, and organizations may adopt a hybrid or customized organizational design structure based on their specific needs and circumstances. The chosen structure should align with the organization's strategic goals, support efficient coordination and communication, foster collaboration, and enable effective decision-making across international operations.

Issues in Global Organizational Design

Designing an effective global organizational structure presents several challenges and issues that organizations must address. These issues arise due to the complexities of operating in diverse markets, managing cross-border coordination, and aligning with local needs. Here are some key issues in global organizational design:

Cultural Differences: Cultural differences across countries can significantly impact organizational design. Organizations must consider variations in work practices, communication styles, decision-making approaches, and attitudes towards authority. Managing cultural diversity requires developing a culture of inclusivity, providing cross-cultural training, and fostering effective communication and collaboration.

Coordination and Communication: Coordinating and communicating across global operations can be challenging. Organizations need to establish effective communication channels and information-sharing mechanisms to ensure smooth coordination and alignment of activities. Language barriers, time zone differences, and technological infrastructure disparities can further complicate coordination efforts.

Centralization vs. Decentralization: Determining the appropriate level of centralization or decentralization is a critical issue. Centralization can provide better control and consistency, but it may impede local responsiveness. Decentralization can enhance local adaptation and decision-making but might lead to duplication of efforts and lack of coordination. Striking the right balance is essential for global organizational effectiveness.

Talent Management and Leadership: Managing and developing global talent poses challenges in organizational design. Organizations must identify and develop global leaders capable of operating across diverse markets. They need to create mechanisms for talent mobility, knowledge transfer, and career development across international locations. Addressing talent gaps and ensuring a diverse workforce with the right skill sets are crucial considerations.

Legal and Regulatory Compliance: Operating globally means navigating a complex landscape of legal and regulatory frameworks. Organizations must ensure compliance with local laws and regulations while adhering to global standards. Adapting organizational design to accommodate different legal requirements, labor practices, and intellectual property protections is crucial.

Integration of Acquired Entities: Mergers and acquisitions can result in the integration of diverse organizational cultures, structures, and processes. Managing the integration of acquired entities and aligning them with the global organizational design requires careful planning, effective change management, and cultural integration efforts.

Scalability and Flexibility: Global organizations need to design structures that are scalable and flexible to accommodate growth, market fluctuations, and changing business environments. This includes having adaptable processes, resource allocation mechanisms, and decision-making frameworks that can be adjusted to fit different market conditions and evolving strategies.

Addressing these issues requires a comprehensive understanding of the organization's global strategy, local market dynamics, and the cultural, legal, and operational nuances of each region. It also necessitates continuous evaluation and adaptation of the organizational design to align with changing business needs and market realities.

Unit-V

International Business Operations

International production involves sourcing and vertical integration, which are critical aspects of a company's global supply chain strategy. Let's explore these two issues in more detail:

Sourcing in International Production:

Sourcing refers to the process of finding and acquiring the necessary raw materials, components, or finished products from suppliers to meet production needs. When it comes to international production, sourcing takes on added complexity due to cross-border considerations, such as differing regulations, cultural factors, logistical challenges, and exchange rate fluctuations. Here are some key issues related to international sourcing:

a. **Supplier Selection:** Choosing the right suppliers is crucial for the success of international production. Companies need to assess the reliability, quality, capacity, and cost-effectiveness of potential suppliers in different countries.

b. **Quality Control:** Ensuring consistent product quality can be challenging when sourcing from multiple countries. Companies need to implement strict quality control measures to maintain their standards across borders.

c. **Logistics and Transportation:** International sourcing involves shipping goods over long distances, which can lead to increased lead times and potential disruptions. Efficient logistics and transportation systems are necessary to minimize delays and associated costs.

d. **Currency Risks:** Fluctuations in exchange rates can impact the cost of sourcing materials from different countries. Companies may need to hedge against currency risks to avoid unexpected financial losses.

e. **Cultural and Language Barriers:** Dealing with suppliers from different countries may involve navigating cultural differences and language barriers, which can affect communication and understanding.

Vertical Integration in International Production:

Vertical integration is the extent to which a company owns and controls various stages of its supply chain, from raw material extraction to the delivery of the final product to customers. In international production, vertical integration can manifest in two ways:

a. **Backward Integration**: Backward integration occurs when a company acquires or controls suppliers or raw material sources. This strategy can help secure a stable supply of critical inputs and reduce dependence on external suppliers.

b. **Forward Integration**: Forward integration involves acquiring or controlling distribution channels, retailers, or even end customers. This approach can give companies greater control over their products' distribution and marketing.

Key issues related to vertical integration in international production include:

Capital Investment: Implementing vertical integration can require significant upfront capital investment, which may be challenging for some companies.

Flexibility: Vertical integration can limit a company's flexibility to adapt quickly to changing market conditions or technological advancements.

Expertise: Operating different stages of the supply chain requires specific expertise in each area. Companies need to ensure they have the necessary skills and knowledge to manage all aspects effectively.

Regulatory and Competitive Environment: The level of vertical integration that is feasible or allowed may vary depending on the regulatory environment and competition laws in different countries.

In summary, international production involves complex issues related to sourcing and vertical integration. Companies must carefully evaluate the advantages and challenges of these strategies to create a robust and efficient global supply chain. Adaptability, risk management, and a deep understanding of the global market are essential for successful international production.

Major Activities in International Marketing: Brand Decisions

In international marketing, brand decisions play a crucial role in shaping the success of a company's products or services in foreign markets. Building a strong brand identity and presence across borders requires careful planning and execution. Here are some major activities in international marketing related to brand decisions:

Brand Positioning: Determining how the brand will be perceived in the target market compared to competitors. This involves defining the unique value proposition and the key differentiators that set the brand apart from others in the international marketplace.

Market Research: Conducting comprehensive market research to understand the cultural, economic, social, and legal factors that may influence the perception of the brand in the foreign market. This helps tailor the brand message to resonate with the target audience effectively.

Brand Name and Logo Adaptation: Ensuring that the brand name and logo are culturally appropriate and do not carry negative connotations in the target market. Sometimes, brand names or logos may need to be adapted or modified to suit local preferences and avoid misinterpretations.

Brand Extensions and Adaptations: Assessing the feasibility of extending the brand's product or service offerings to suit the needs and preferences of the international market. This may involve modifying the product or creating new versions that cater to local tastes and preferences.

Standardization vs. Localization: Deciding whether to maintain a standardized brand image across all markets or adopt a localized approach where branding elements are adapted to each market's cultural and linguistic context.

Brand Communication: Developing a consistent and cohesive brand communication strategy for international markets. This includes deciding on the messaging, tone, and channels of communication that will be used to promote the brand in different regions.

Distribution Channels: Selecting appropriate distribution channels for the brand's products or services in international markets. This may involve working with local distributors, retailers, or e-commerce platforms that understand the local market dynamics.

Brand Awareness and Promotion: Implementing marketing campaigns to build brand awareness and recognition in the target market. These campaigns may include advertising, public relations, social media marketing, and other promotional activities.

Brand Equity Measurement: Monitoring and measuring the brand's equity and performance in international markets to assess the effectiveness of branding decisions and strategies.

Brand Protection: Taking measures to protect the brand's intellectual property rights, trademarks, and copyrights in international markets to prevent counterfeiting and unauthorized usage.

Crisis Management: Preparing contingency plans to handle any negative publicity or crisis situations that may arise in international markets and impact the brand's reputation.

Effective brand decisions in international marketing can lead to increased brand loyalty, customer trust, and market share, ultimately contributing to the success and growth of the company in global markets.

Issues of International Financial management: Forex Market, International Monetary System, International Financial Markets, Export Financing

International financial management involves managing various financial aspects in the context of global business operations. Some of the key issues in international financial management related to the Forex market, international monetary system, international financial markets, and export financing include:

Forex Market Volatility: The foreign exchange (Forex) market is highly volatile and can experience significant fluctuations in currency exchange rates. Exchange rate movements can impact a company's profitability, pricing strategies, and the value of foreign investments or receivables.

Currency Exchange Risk: Companies engaged in international trade are exposed to currency exchange risk, also known as foreign exchange risk. This risk arises due to the potential loss or gain in the value of transactions denominated in foreign currencies when converted back to the home currency.

Hedging Strategies: Businesses need to implement effective hedging strategies to mitigate currency exchange risk. Hedging involves using financial instruments like forward contracts, futures, options, or currency swaps to protect against adverse currency movements.

International Monetary System Changes: Shifts in the international monetary system, such as changes in exchange rate regimes or the adoption of new reserve currencies, can impact global trade and investment flows. Companies must stay informed about such developments to adjust their strategies accordingly.

Capital Flows and Investment: The movement of capital across borders can affect interest rates, asset prices, and overall economic stability. Companies operating internationally need to consider the impact of capital flows on their financing decisions and investment plans.

Access to International Financial Markets: Companies seeking to raise capital in international financial markets must navigate various regulatory, legal, and cultural differences. They need to consider factors such as investor preferences, disclosure requirements, and compliance with international accounting standards.

Political and Economic Risks: Operating in foreign markets exposes businesses to political and economic risks, including changes in government policies, trade barriers, political instability, and economic downturns. Managing these risks requires careful planning and diversification.

Export Financing: Export-oriented businesses often require financing to support their international sales. Export financing options include export credit insurance, letters of credit, pre-export financing, and export factoring, which helps manage payment risks and ensure smooth cross-border transactions.

Exchange Controls: Some countries impose exchange controls, restricting the movement of funds in and out of their borders. Companies must comply with these regulations while managing their international financial transactions.

Cross-Cultural Financial Management: Dealing with different financial systems, accounting practices, and cultural norms in various countries can present challenges in financial reporting, auditing, and decision-making.

Transfer Pricing: Multinational companies face transfer pricing issues when transferring goods, services, or intellectual property between different entities within the organization. Ensuring compliance with tax regulations and avoiding transfer pricing disputes is essential.

Effective management of these issues in international financial management is vital for companies to optimize their global operations, minimize risks, and seize opportunities in the international marketplace. It requires a combination of financial expertise, market knowledge, and a keen understanding of the unique challenges posed by the global business environment

Managing International HR Activities: HR Planning, Recruitment and Selection, Expatriate selection and training.

Managing international HR activities involves handling human resources planning, recruitment and selection, and expatriate selection and training in a global context. It requires understanding and addressing the unique challenges and opportunities that come with operating across borders and dealing with a diverse workforce.

1. **HR Planning for International Operations:**

   - Understanding Global Business Objectives: HR planning should align with the organization's global business strategy and objectives. This involves considering factors such as market expansion, new international projects, and regional growth plans.

   - Analyzing Workforce Needs: Assessing the demand and supply of skills and talent required for international operations is crucial. This may involve identifying skills gaps, talent shortages, and succession planning for key roles in different regions.

   - Cultural and Legal Factors: Consideration of cultural and legal differences across countries is necessary to adapt HR policies and practices to comply with local regulations and to foster a positive work environment.

2. **Recruitment and Selection for International Positions:**

   - International Talent Sourcing: HR teams should explore various channels for sourcing international talent, such as global job boards, international recruitment agencies, and local partnerships.

   - Cross-cultural Competencies: Evaluating candidates for their cross-cultural competencies, adaptability, and willingness to work in diverse environments is vital for successful integration within the organization.

   - Legal Compliance: Understanding and adhering to local labor laws, work permits, and visa requirements is essential when recruiting and hiring international employees.

3. **Expatriate Selection and Training:**

    - Expatriate Selection Criteria: Selecting the right individuals for international assignments involves considering not only technical skills but also their ability to cope with the challenges of living and working abroad.
    - Cultural Training: Providing cultural training to expatriates can help them adapt to the new culture, work environment, and communication styles of the host country.
    - Language Training: Language proficiency can greatly facilitate communication and integration, so language training may be necessary for some expatriate assignments.
    - Support for Families: Supporting expatriates' families through orientation programs and assistance with settling into the new location can enhance their overall well-being and increase the likelihood of assignment success.

4. **Continuous Support and Feedback:**

    - Expatriate Support System: Establishing a support system for expatriates, such as a mentorship program or regular check-ins, can help them address challenges and feel connected to the organization.
    - Performance Management: Implementing a robust performance management system that sets clear expectations and provides regular feedback is crucial for measuring the success of international assignments and making necessary adjustments.

5. **Monitoring and Compliance:**

    - Legal Compliance: Ensuring compliance with international labor laws, tax regulations, and employment contracts is essential to avoid legal issues and penalties.
    - Evaluation and Improvement: Regularly evaluating the effectiveness of international HR activities and seeking feedback from employees can lead to continuous improvement and enhanced performance.

Managing international HR activities requires a combination of strategic planning, cross-cultural understanding, and adaptability to ensure that the organization can thrive in a globalized world.

Cross Cultural Issues in International Business

Cross-cultural issues in international business refer to the challenges and complexities that arise when organizations operate in diverse cultural environments. These issues can impact various aspects of business operations, relationships, and decision-making. Some key cross-cultural issues include:

1. **Communication Styles:** Different cultures have distinct communication norms and preferences. Language barriers, varying communication styles, and non-verbal cues can lead to misunderstandings and misinterpretations, affecting collaboration and productivity.

2. **Cultural Norms and Values:** Divergent cultural norms and values can lead to contrasting business practices and ethics. What may be acceptable in one culture might be seen as inappropriate or offensive in another, leading to potential conflicts and ethical dilemmas.

3. **Business Etiquette:** Business etiquette, including greetings, gift-giving, and dining customs, can vary significantly across cultures. Failure to adhere to local business customs may hinder relationship-building and create a negative impression.

4. **Negotiation and Decision-Making:** Negotiation styles can differ widely across cultures, with some cultures emphasizing direct communication and others relying on indirect or implicit communication. Decision-making processes may also be hierarchical or participatory, leading to contrasting approaches in business deals.

5. **Leadership and Management Styles:** Cultural differences influence leadership and management practices. Some cultures may prioritize hierarchical structures, while others encourage more collaborative and egalitarian approaches. These differences can affect employee motivation and organizational dynamics.

6. **Time Perception:** The perception of time varies among cultures. Some cultures emphasize punctuality and adherence to schedules, while others adopt a more flexible and relaxed approach. These differences can impact project deadlines and meeting schedules.

7. **Work-Life Balance:** Expectations for work-life balance can differ across cultures. Some cultures prioritize family and personal time, while others emphasize long working hours and dedication to the job. These differences may affect employee well-being and retention.

8. **Conflict Resolution:** Different cultures have distinct ways of dealing with conflicts. Some cultures prefer direct confrontation, while others value harmony and indirect communication. Mismanaging conflicts can lead to strained relationships and hinder cooperation.

9. **Team Dynamics:** In international teams, cultural diversity can lead to both strengths and challenges. Teams may experience enhanced creativity and problem-solving abilities due to diverse perspectives, but misunderstandings and conflicts may also arise.

10. **Legal and Regulatory Compliance:** Complying with local laws, regulations, and business practices is critical in international business. Failure to do so can result in legal issues and damage the company's reputation.

Addressing Cross-Cultural Issues:

- **Cultural Awareness and Training:** Providing cultural training to employees and leadership can help build cross-cultural understanding and sensitivity.
- **Localization:** Adapting products, services, and marketing strategies to local cultural preferences and values can enhance acceptance in new markets.
- **Diverse Teams and Leadership:** Emphasizing diversity in teams and leadership can promote a more inclusive and adaptable organizational culture.
- **Global HR Policies:** Implementing HR policies that consider cross-cultural differences can ensure fair treatment of employees in diverse locations.
- **Consulting Local Experts:** Seeking advice from local experts and consultants can offer valuable insights into cultural nuances and business practices.

Effectively navigating cross-cultural issues in international business is essential for building successful global operations, fostering positive relationships with stakeholders, and achieving long-term success in diverse markets.