

International Business Management



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MB 0053

International Business Management

Course Description

The study of International Business Management includes the activities of international companies and cross border transactions of governments. The purpose of this study is to understand the effort of every individual and organisation in striving to be the global leader. The world economy is globalising at an accelerating pace. Countries that were previously closed to foreign companies have now opened up their markets. Internet has made the world a smaller place. All these factors have contributed to the growth of international business.

International business operates under different economic, political, and legal environments. There are various theories that are considered when companies deal with business internationally. When a company deals internationally, it interacts with people from various cultures across the world. Hence, culture is an important aspect in international business and a company must handle the cultural diversity in international business. International business has improved the quality of life of people around the world and has made life simple and easier.

Course Objectives:

The course “International business management” of MBA 4th Semester helps students to understand the international business concepts and makes them aware of the risks and returns of doing business globally.

After studying this subject, you should be able to:

- explain the concept of international business.
- distinguish international business from domestic business.
- describe the various international trade theories
- analyse international business environment.
- understand the intercultural issues in international business
- list the various regional integrations across the world.
- examine the international financial management and accounting practices

- explain the international marketing concepts
- analyse the role of human resource management in international organization.
- understand the importance of ethics in international business
- discuss the documents in international trade and payment.
- describe the role of strategy in international business.
- understand the role of global sourcing and its challenges

This Self-Learning Material (SLM) of the subject is divided into 15 units as follows:

Unit 1: Introduction to International Business

This unit explains the dynamics of global business in today's business environment. It describes the role of multinational companies in international markets. This unit also covers the differences between international business and global business.

Unit 2: International trade theories and their application

This unit covers the popular international trade theories. This will help in explaining the origin and need of trade along with the benefits as suggested by various economists. It also discusses the application of these theories by different countries.

Unit 3: International Business Environment

This unit covers the economic, political, social and other environments in which an international business operates. It explains the need of environment analysis and importance of international business environment study.

Unit 4: Culture and International Business

Culture is an important factor for practicing international business. Culture affects all the business functions ranging from marketing to finance and production to service. This unit shows a close relation between culture and international business.

Unit 5: Foreign Investments

This unit describes the meaning, advantages and types of foreign investments. It explains in detail what are foreign direct investments and

foreign portfolio investments and how they are important for international business.

Unit 6: Regional integration

This unit lists out the various regional integrations across the world. It also discusses the various trading blocs, their importance, structure, and functioning. It explains the purpose, importance, and role of regional integrations in shaping up the world trade and government policies.

Unit 7: Global trade institutions

The unit covers the various important global trade institutions like WTO, ILO, IMF and World Bank. It discusses various international organizations working towards promoting international business and provide regulatory framework. It describes about the role and agreements of World trade organization. It also explains about International labor organization and its main bodies.

Unit 8: International Finance Management

This unit explains the meaning of international financial management. It gives an overview of the components of international financial management and its scope. This unit also explains the aspects of financial decisions, taxation, and management of working capital.

Unit 9: International Accounting Practices

This unit describes various factors involved in accounting practices followed by multinational companies. It explains the various regulators and accounting standards followed by different countries and regions across the world. It discusses accounting from an international perspective. This unit also includes international regulatory bodies and the international financial reporting standards.

Unit 10: International Marketing

This unit gives an overview of international marketing. The topics covered are scanning international marketing, global marketing strategies, policies, valuation of brands, and the different ways of circumventing the challenges of international branding.

Unit 11: International Strategic Management

This unit explains the meaning of international strategic management with reference to the strategy to compete. It examines the strategic planning and its types. It also analyses the strategic management process.

Unit 12: Ethics international business

This unit explains various topics on workplace ethics, its importance and application in a global business environment. It also gives a perspective of business ethics practiced in different countries. It includes the code of ethics, policies and procedures, and the general code of conduct followed by multinational companies.

Unit 13: International Human Resource Management

This unit examines the structure of multinational companies. It describes the dimensions and strategies for international human resource management.

Unit 14: Finance and International Trade

This unit explains the benefits, payment systems, and arrangements related to international trade. It discusses the documentation required to make foreign trade transactions. It examines the various export promotion schemes supported by the government and the methods for exporters and importers within India to avail finance.

Unit 15: Global Sourcing and its Impact on Indian Industries

This unit explains the evolution of globalization in India and its impact on Indian business. It discusses the concept, advantages and disadvantages of global sourcing. It also describes the global sourcing challenges for Indian industries.