

MULTINATIONAL ENTERPRISES

Course code	<i>MNG233</i>
Course title	<i>Multinational Enterprises</i>
Type of course	<i>Main</i>
Study level	<i>1st</i>
Department	<i>Bachelor Studies</i>
Year of study	<i>2nd/3rd</i>
Semester	<i>Fall</i>
Credits	<i>6 ECTS: 24 hrs. lectures, 24 hrs. practice, 112 hours of self-study, 2 hours of consultations</i>
Lecturers	<i>Assistant Prof. Dr. Lauri Haapanen, Oulu Business School, University of Oulu, Finland</i>
Study form	<i>Full-time</i>
Courses to have prior this course	<i>N.N.</i>
Course language	<i>English</i>

ANNOTATION

This course provides an insight on, and an introduction to multinational enterprises (MNEs) - the most studied object in the field of International Business. Multinational enterprises are among the major players in the world economy, and as an illustration, the 500 largest MNEs do more than half of the world trade and 80% of the foreign investments. The course covers topics that students will face when being employed in multinational enterprises and the themes are illustrated using real-life cases. This course deals with three major themes related to multinational enterprises. Firstly, the course starts with discussing the role, motivation, and structures of MNEs – why do firms invest in foreign countries even if it is less complicated and less expensive to export. Secondly, the course deals with juxtaposition between MNE headquarters and subsidiaries. In doing this, course addresses issues such as top management teams, firm functions, and cross-cultural management. Thirdly, the course explains various possible ways of investing in foreign countries, and thus, how firms may become multinational enterprises.

AIMS OF THE COURSE

The goal of the *Multinational Enterprises* course is to provide students with relevant theories and tools to analyze and understand the multifaceted issues related to multinational enterprises. In particular, this course aims to:

Subject learning outcomes (SLO)	Study methods	Assessment methods
SLO1. The student is able to distinguish various conceptualizations and MNE theories	Lectures, seminars, individual study, self-study in groups	Midterm test, coursework/presentation
SLO2. The student is able to explain why multinational enterprises exist	Lectures, seminars, solving exercises, self-study	Midterm test, final exam
SLO3. Identify and compare different ways how firms become MNEs	Lectures, seminars, solving exercises, self-study	Midterm test, final exam
SLO4. The student is able to determine the role of different organizational cultures, national cultures, and cross-cultural management in MNEs	Lectures, seminars, solving exercises, self-study, headquarter-subsidiary game	Midterm test, coursework/presentation, final exam
SLO5. The student recognizes what constitutes MNEs competitive advantages and how they compete	Lectures, seminars, solving exercises, self-study	Midterm test, final exam
SLO6. The student understands how firm functions are intertwined and hence, the role of cross-functional cooperation	Lectures, seminars, solving exercises, self-study, headquarter-subsidiary game	Midterm test, final exam
SLO7. The student identifies the ethical and the corporate responsibility issues in MNEs	Lectures, seminars, solving exercises, self-study	Midterm test, coursework/presentation, final exam

LEARNING METHODS

The course is entirely taught in English and designed to achieve its aims through a combination of lectures and interactive seminars, including oral group presentations and data analysis. Seminars and lectures are designed to encourage active participation, co-operative and creative work, interactive communication and critical thinking.

Lecture	TOPIC	IN-CLASS HOURS		READINGS*
		Lecture	Seminar	
Session 1 Monday	Introduction Aims and structure of the course, requirements, assessment criteria, and course reading list	2		To be provided during the course
Session 2 Monday	Internationalization Foreign subsidiaries Case	2 1	1	To be provided during the course
Session 3 Tuesday	Inside MNEs Competitive advantage	2		To be provided during the course
Session 4 Tuesday	Inside MNEs – part 2 Resource-based theories Case	2 1	1	To be provided during the course
Session 5 Wed	Headquarters & subsidiaries Different perspectives	2		To be provided during the course
Session 6 Wed	Headquarters & subsidiaries (2) Top management teams, firm functions Case	2 1	1	To be provided during the course
Session 7 Thursday	MNEs and cultures Cross-cultural management Ethics & corporate responsibility	2		To be provided during the course
Session 8 Thursday	How to become multinational Organic growth vs. M&As Case	2 1	1	To be provided during the course
Session 9 Friday	How to become multinational – part 2 JVs & alliances	1		To be provided during the course
Session 10 Friday	De-Internationalization De-Internationalization Re-Internationalization Wrap-up	1		To be provided during the course
	Exam			
Session 11 Monday	HQ & subsidiary game	2	4	
Session 12 Tuesday	Seminars		4	
Session 13 Wed	Seminars		4	
Session 14 Thursday	Seminars		4	
Session 15 Friday	Seminars		4	
	Total hours (for each group)	24	24	

* Relevant articles and papers will be uploaded and provided via e-learning.

COURSE REQUIREMENTS

1. The **exam** will account for **50%** of the final grade. The exam will include topics **from sessions 1 to 10**. All the materials that were covered during the lectures and seminars are relevant for the exam.
2. **Seminar grade (50%)**. Students will be asked to apply one of the course topics to explain an MNE event. Students may select the MNE based on their own interest, as well as an event (e.g. a merger) that had taken place in this MNE's past.
3. Present the seminar case. The presentations will take place during the seminars (sessions 12 – 15). Students will be assessed according to various criteria that will be presented at the first lecture. Details about the grading and

the presentation scope will be presented on the first day of the lectures. **Students who are active during class discussions may receive bonus points. The grades will therefore be announced at the end of the course (together with the final exam grade).**

TYPE	TOTAL HOURS	EVALUATION, %
Seminar grade	56	50
Exam	56	50
Total:	112	100

REMARKS

- A. Students will be informed in advance, which cases have to be read (prepared) for the following case-study discussions. Students will have minimum 5 days time to prepare. **Reading the case studies for the class discussion is obligatory.** The lecturer will ensure that the students have access to all case studies. Attendance and participation in the lectures and seminars is obligatory. **Students missing more than three sessions, will lose their seminar grade.**
- B. If final (cumulative) mark of the course is insufficient, students will be allowed to exercise their **right of retake**. The retake exam will cover all lectures and case-discussion topics discussed in class during the course. It will be held during the last week of the exam session and **will replace the 50% of the exam**. Acquired scores from all assignments will be summed up and the final (cumulative) grade will be given. The lecturer reserves the right to choose the form of the exam (multiple choice/ open answer questions/ essay).
- C. Specific rules apply in the case of in-class presentations.
 - a. In case of serious reasons, students may be allowed to switch with another student. Students are responsible for making the changes themselves and inform the lecturer in advance.
 - b. Students now showing up for the presentation will get a 0 (zero) for this interim assignment.

LITERATURE

Forsgren, M. (2008). *Theories of the multinational firm: A multidimensional creature in the global economy*. Edward Elgar Publishing.

Due to the dynamic nature of the content of the course, readings will be provided during the course.

Slide handouts and readings will be prepared for each class and available for download. The slides are the intellectual property of teaching instructor and students may not distribute or duplicate these notes without written consent.