

BMA212
Business in and with Europe

Semester 2, 2008

This unit will be offered in:

Hobart

The lecturing team responsible will be:

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Introduction to the Unit

- The European marketplace is a continually changing and evolving entity. In the early 1990s, the preoccupation of Europe was with the development of the Single European Market (SEM) and the dismantling of Communism in Eastern Europe. Since that time, Europe's single currency has been launched in 15 member countries, and the European Union (EU) with 27 members in 2007 has consolidated itself as one of the largest economic unions in the global marketplace.
- The EU is at a critical, yet fascinating, stage of its development. Trade and foreign investment has grown significantly during the development of the Union and there is now a market of more than 300 million people within the European area alone. As a single entity, the EU is Australia's largest two-way trading partner and the second largest export market, behind Japan in the Asia Pacific.
- Students of Business in and with Europe must realise that much of the information they study about international business does not always fit into nice, neat categories. Research results are often conflicting, and serious questions can be raised about previously accepted findings. However, this unit is designed to provide you with an understanding of a range of major issues in relation to business "in and with" Europe, with an emphasis upon the European Union (EU). You will learn about the broad social, economic and political environments within which business in Europe is conducted, the structure of business in Europe, conducting business with European firms and a range of current and likely future issues faced by firms doing business in and with Europe.

Enrolment in the Unit

Unless there are exceptional circumstances, students should not enrol in BMA units after the end of week two of semester, as the School cannot guarantee:

- that any extra assistance will be provided by the teaching team in respect of work covered in the period before enrolment; and
- that penalties will not be applied for the late submission of any piece or pieces of assessment that were due during that period.

Learning Outcomes

On completion of this unit, you should be able to:

- Demonstrate an understanding of the characteristics of business in Europe and the impact European integration has on domestic business structures.
- Demonstrate an in-depth knowledge of how the European Union operates and the awareness of opportunities and constraints posed by developments in Eastern Europe.
- Understand the strategic role and importance of the European Union in the world economy.
- Demonstrate an understanding of the major challenges for businesses operating with and in Europe.
- Develop cognitive skills including critical evaluation, analytical investigation, and written and oral presentation.

Generic Graduate Attributes

The University has defined a set of generic graduate attributes (GGAs) that can be expected of all graduates (see <http://www.utas.edu.au/tl/policies/index.htm>). By undertaking this unit you should make progress in attaining the following attributes:

Knowledge

- Further develop your understanding of international business in a specific, regional context.
- Being able to discuss and apply a range of underlying concepts and principles, both practical and theoretical, relevant to that regional context.

- Further develop your ability to work both independently and/or cooperatively, as required, to effectively access, use and communicate information, supported by well-reasoned arguments in particular, in an international business context.

Communication Skills

- Further develop professional writing and oral presentation skills through undertaking the activities specified in the unit outline.
- Further develop the ability to communicate effectively using oral and written mediums, and to listen to and evaluate the views of others.
- Small group discussion skills.

Problem Solving Skills

- The ability to identify problems in a given practical situation related to European business and develop feasible solutions to them through case analysis.
- Students will be encouraged to collaborate and communicate with other members of a team.

Global Perspective

- Students will gain an understanding of the important role of the European Union in the world economy.

Social Responsibility

- Based on the concept of ethically dealing with all stakeholders in the development and management of international business and in dealing with staff and students in team-based and individual work.

Prerequisites

BMA101 Introduction to Management and
BMA181 Introduction to International Business

Texts

Prescribed Texts

Johnson, D. & Turner, C. 2006. *European Business* (2nd ed.). London: Routledge.

School Publications

Students must obtain the following electronic publications which are available from the School of Management website:

<http://www.utas.edu.au/mgmt/student.htm>

Writing Assignments: A Guide

School of Management Referencing Style

Recommended Reading

Books

The following list provides some additional texts that you might find helpful. There might be multiple editions of the same text but only texts that are available at the UTAS library are listed here. We recommend that you consult these, and selected journal articles which your lecturer recommends.

Highly Recommended

Mercado, S., Welford, R. & Prescott, K. 2001. *European business* (4th ed.). Pearson Education, London: Prentice Hall.

Hill, C.W.L. 2007. *International business: Competing in the global marketplace* (6th ed.). Boston: McGraw-Hill/Irwin.

Others

Bartlett, C. A., Ghoshal, S., & Birkinshaw, J. 2004. *Transnational management: Text, cases, and readings in cross-border management* (4th ed.). Boston: Irwin-McGraw Hill.

Burton, F., Yamin, M. & Young, S. 1996. *International business and Europe in transition*. Hampshire: Macmillan Press.

Calori, R. & Roland, L.P. 1991. *The business of Europe: Managing change*. London: Sage Publications.

Czinkota, M. R., Ronkainen, I. A. & Moffett, M. H. 2005. *International business* (7th ed.). Australia: Thomson/South-Western.

Dicken, P. 2007. *Global shift: Mapping the changing contours of the world economy*. New York: Guildford Press.

Harris, P. & McDonald, F. 1994. *European business and marketing: Strategic issues*. London: Paul Chapman Publishing.

Haywood, G. & Lethbridge, D. 1975. *European case studies in business policy: A workbook*. London: Harper & Row.

Johnson, G., Scholes, K. & Whittington, R. 2005. *Exploring corporate strategy*. Harlow, England: Financial Times, Prentice Hall.

Liefferink, J.D., Lowe, P. & Mol, A.P.J. 1993. *European integration and environmental policy*. Chichester: John Wiley & Sons.

McCormick, J. 2005. *Understanding the European Union: A concise introduction*. Houndmills: Palgrave Macmillan.

Morrison, J. & Thai, V. 2002. *World trade and the international competitive environment*. Hampshire: Palgrave Macmillan.

Nelson, B., Roberts, D. & Veit, W. 1992. *The European community in the 1990s: Economics, politics, defense*. New York: Berg.

Strange, R., Slater, J. & Molteni, C. 2000. *The European Union and ASEAN: trade and investment issues*. New York: St. Martin's Press.

Twitchett, K.J. 1980. *European co-operation today*. London: Europa Publications.

Weatherson, J., Brooks, I. & Wilkinson, G. 2004. *The international business environment*. Harlow: Financial Times, Prentice Hall.

Wood, D. M. 2004. *The emerging European Union* (3rd ed.). New York: Pearson Education.

Journals and Periodicals

Apart from books, you will find it valuable to get into the practice of reading relevant articles from journals and periodicals (including newspapers and magazines).

Journals

Eurostat
Eurostat Yearbook
European Business Review
European Economic Review
European Finance Management
European Industrial Relations
European Journal of Marketing
European Management Journal
European Management Review
European Report
Journal of International Business Studies
Journal of World Business
Management International Review
OECD Economic Surveys
Sloan Management Review
The European Journal of Finance

Periodicals and Newspapers

Australian Financial Review
Business Week
Business Review Weekly
Economist
Financial Times
Fortune
Harvard Business Review
The Wall Street Journal

Other Useful Resources

Academy of International Business: <http://www.aibworld.net>
ANZ Reference Centre: <http://www.anz.com/Search/default.asp>
Austrade (Australian Trade Commission): <http://www.austrade.gov.au/>
ABS (Australian Bureau of Statistics): <http://www.abs.gov.au/>
Centre for International Business Studies: <http://cibs.sauder.ubc.ca/>
Central Intelligence Agency (World Factbook): <https://www.cia.gov/library/publications/the-world-factbook/>
Department of Foreign Affairs & Trade: <http://www.dfat.gov.au/>
Foreign Market Entry: <http://www.sbaonline.sba.gov/gopher/Business-Development/International-Trade/Guide-To-Exporting/trade8.txt>
Identifying International Markets: <http://www.sbaonline.sba.gov/fopher/Business-Development/International-Trade/Guide-To-Exporting/trad7.txt>

International Monetary Fund: <http://www.imf.org>

World Trade Organisation: <http://www.wto.org>

Main European Union Sites

Europa: <http://europa.eu.int/>

Eurostat: <http://europa.eu.int/comm/eurostat/>

European Sources Online: <http://www.europeansources.info>

EUBusiness News: <http://www.eubusiness.com>

EU Observer: <http://www.euobserver.com>

Europages: <http://www.europages.com>

Europe Online International: <http://www.europeonline.com>

European Chamber of International Business: <http://www.ecib.com>

EUROPARL Official Journals, Treaties & Basic Document: <http://www.europarl.eu.int/basicdoc/default.en.htm>

EU Market Access Database: <http://mkacddb.eu.int/mkacddb2/indexPubli.htm>

EU Information: http://ec.europa.eu/index_en.htm

European Commission – Trade: <http://ec.europa.eu/trade/>

European Regional review: <http://www.theparliament.com/regional-review/>

European Common Market Studies: <http://www.blackwellpublishing.com/journal.asp?ref=0021-9886&site=1>

Library Resources

The library offers a variety of electronic and physical resources that may be helpful for completing assignments. The library's subject guide for management can be found at the following address:

<http://www.utas.edu.au/library/info/subj/management.html>

Flexible Learning: MyLO

MyLO software has been incorporated into the delivery of this unit to enhance the learning experience by providing access to up to date course materials and by allowing for online discussion through this web-based environment.

To access MyLO from your own computer you will need the appropriate software, and hardware to run that software. See *Learning Online* <http://uconnect.utas.edu.au/> for computer software you will need.

Note: Older computers may not have the hardware to run some of the required software applications. Contact your local IT support person or the Service Desk on 6226 1818 if you experience difficulties. The School of Management has prepared a MyLO Information Sheet which includes access guidelines and contact information. It is available to download as a Word document from the School of Management website: <http://www.utas.edu.au/mgmt/student.htm>

Privacy Policy and Notice

The School of Management takes the utmost care to protect the privacy and security of your personal information and to ensure its accuracy.

If you have any concerns about your privacy in MyLO please contact the lecturer-in-charge of this unit or view the University of Tasmania MyLO Privacy Policy Statement available from the university website on <http://www.utas.edu.au/coursesonline/privacy.htm>.

Assessment

In order to pass this unit you must achieve an overall mark of at least 50 per cent of the total available marks. Details of each item of Coursework are provided in the Assignment Topics section.

| Method of Assessment | Value | Due Date | Length* |
|------------------------|-------|--|------------------------|
| Coursework | | | |
| In-class Test | 10 | Week 4 (7 August 2008) | 45 minutes |
| Group Presentation | 10 | Starting from week 5 (14 August 2008) | 30 minutes |
| Major Group Assignment | 20 | 24 September 2008 | 2500 words (maximum) * |
| Examination | 60 | Exam Period | 3 hours |
| Total Marks | 100 | | |

* **Word Limit:** The word count includes such items as headings, in-text references, quotes and executive summaries. It **does not** include the reference list at the end of the assignment.

Study Week

All undergraduate units offered by the School of Management are scheduled to include a Study Week. The dates for this Semester are shown in the attached Study Schedule.

The purpose of the Study Week is to allow students an opportunity to consolidate their studies thus far, and to research coming assignments.

Test

Format

The format of the test may include a combination of short answer questions and case study questions. The test will be closed book and will cover material from weeks 1-3. More information will be provided prior to the test.

Examination

Format

The examination will cover material from week 4-13 and will consist of short questions, essays and possibly case study questions. The best preparation for the exam is consistent work throughout the semester.

Scheduled date and place

Your final examination for this unit will be held during the scheduled examination period as indicated by Student Administration in correspondence to you.

Examinations will normally be scheduled Monday to Saturday inclusive. Examinations may be held during the day or evening and students should consult the university information which will be made available towards the end of semester.

You are advised to make any necessary arrangements with employers now for time off during examination period to sit this examination. Your participation at the scheduled time is not negotiable unless there are exceptional circumstances.

Note that you will be expected to sit the examination at your recorded study centre.

Supplementary Examination

Except in special circumstances and on the recommendation of the lecturer-in-charge or the Head of School, a student who fails will not be granted a supplementary examination.

Special Consideration and Student Difficulties

If a student is experiencing difficulties with their studies or assignments, have personal or life planning issues, disability or illness which may affect their course of study, they are advised to raise these with their lecturer in the first instance. Students may also contact the Catalyst Officer, who will be able to help in identifying the issues that need to be addressed, give general advice, assist by liaising with academic staff, as well as referring students to any relevant University-wide support services. The Catalyst Officer is located in room 318a in the Commerce Building in Hobart and is contactable by phone on 6226 1916. There is also a range of University-wide support services available including Student Services, International Services and Learning Development. Please refer to the *Current Students* homepage at: <http://www.utas.edu.au/students/index.html>

Should a student require assistance in accessing the Library, visit their website for more information at <http://www.utas.edu.au/library/>

Students who have completed their examinations and who feel that they have been disadvantaged due to illness or other circumstances affecting their study, may fill out a form to request that their lecturer takes this into consideration when marking the examination. Forms should be submitted directly to the relevant school, accompanied by appropriate supporting documentation, as soon as possible after the completion of the examination. Granting of special consideration is at the discretion of the lecturer and school. The relevant form can be found at the following website:

http://www.studentcentre.utas.edu.au/examinations_and_results/forms_files/index.htm#eits

Students with a non-English speaking background may be permitted to take a bilingual dictionary into an exam. This dictionary must not be annotated, that is, it must have no notes written in it. In order to use a bilingual dictionary students must request permission from the Student Centre.

Submission of Coursework

Lodging Coursework

All Coursework must have the School of Management Assignment Cover Sheet and Title Page attached, both of which are available as a blank template from the School of Management website:

<http://www.utas.edu.au/mgmt/student.htm>

All assignments must include the tutor's name on the assignment Cover Sheets when they are handed in. If this is not done the assignment will not be accepted and therefore marked.

Please remember that you are responsible for lodging your Coursework on or before the due date. We suggest you keep a copy. Even in the most 'perfect' of systems, items sometimes go astray.

Note that you may also be required to submit an electronic copy of your Coursework. More details of this will be given in Lectures.

Hobart students: Lodge in assignment box at room 316, Commerce & Economics Building.

Launceston students: Lodge in assignment box beside room A170.

All coursework must be handed in by 2.00 pm on the due date.

Late Coursework

Written Work

Extensions will only be granted on medical or compassionate grounds and will not be granted because of work or other commitments. Requests for extensions should be **made in writing** to the lecturer-in-charge prior to the due date. Medical certificates or other evidence must be attached and must contain information which justifies the extension sought.

Late assignments which have **not** been granted an extension will, at the lecturer's discretion, be penalised by deducting ten per cent of total marks for each full day overdue.

Assignments submitted more than six days late will normally not be accepted by the lecturer-in-charge.

Tests

Students who are unable to sit a test on medical or compassionate grounds (work or other commitments are not considered 'compassionate grounds') may request that they be permitted to submit alternative Coursework.

Please do not expect a special test to be held for you if you choose to go on holidays or undertake other activities on the scheduled date. If you do need to request alternative Coursework, you should do so in writing

to the lecturer-in-charge prior to the due date. Medical certificates or other evidence must be attached and must contain information which justifies the request. The telephone number of the doctor should also be included.

Return of Coursework

Coursework will be returned during classes or it can be collected from the lecturer's or tutor's room at nominated times; it will not be available from the School's offices.

Plagiarism

Plagiarism is a form of cheating. It is taking and using someone else's thoughts, writings or inventions and representing them as your own, for example:

- using an author's words without putting them in quotation marks and citing the source;
- using an author's ideas without proper acknowledgment and citation; or
- copying another student's work.

If you have any doubts about how to refer to the work of others in your assignments, please consult your lecturer or tutor for relevant referencing guidelines, and the academic integrity resources on the web at <http://www.utas.edu.au/tl/supporting/academicintegrity/index.html>.

The intentional copying of someone else's work as one's own is a serious offence punishable by penalties that may range from a fine or deduction/cancellation of marks and, in the most serious of cases, to exclusion from a unit, a course or the University. Details of penalties that can be imposed are available in the Ordinance of Student Discipline—Part 3 Academic Misconduct, see <http://www.utas.edu.au/universitycouncil/legislation/ord9.pdf>

The University reserves the right to submit (or to require you to submit) assignments to online plagiarism detection software, and might then retain a copy of the assignment on its database for the purpose of future plagiarism checking.

Occupational Health and Safety (OH&S)

The University is committed to providing a safe and secure teaching and learning environment. In addition to specific requirements of this unit you should refer to the University's policy at: http://www.admin.utas.edu.au/hr/ohs/pol_proc/ohs.pdf

Tutorial Program

Tutorial Questions for Discussion

Note that the tutorial program does not start until Week 2 of semester.

Tutorials in this unit will follow a participative style of discussion. In order for you to contribute fully to these activities and to gain the most from your tutorial program, you will need to prepare for these sessions with detailed answers which address each of the questions.

Part 1 – Europe: The National, Regional and Global Dimension

Week 2 – A Portrait of Europe: Challenge and Change

1. What do you understand by the reform process? What does it seek to achieve?
2. Is reform inevitable or does the resistance to the process highlight the limits to globalisation?

Students are to form groups of a maximum of 3 and a presentation topic for each group will be assigned.

Week 3 – The Integration Imperative: Theory and Practice

1. Why do businesses active in Europe need to understand the role of the EU and how it works?
2. What are the main implications of European integration for business?
3. The EU has grown from six members in 1958 to 27 in 2007 and is set to expand further. What does this mean for business?
4. What is the significance of the problems concerning the ratification of the draft constitutional treaty for the future direction of the EU?

Week 4 – Europe and Globalisation

In-class test.

Part 2 – Market Integration

Week 5 – The Single European Market

1. Explore with examples how the Single European Market (SEM) has changed firm behaviour within the European economy.
2. What needs to be done to complete the SEM?

Group Presentation

Week 6 – European Competition and Industrial Policy

Read case study 5.2 “The EU and Microsoft” (pp.118-120) and prepare responses to questions 1 & 3.

Group Presentation

Week 7 – Developing Small Business and Entrepreneurship within Europe

Read case study 7.1 “The Europe 500 List” (pp. 152-153) and prepare responses to questions 1, 2 & 3.

Group Presentation

Week 8 – Economic and Monetary Union: An Unfinished Project

1. In what way has EMU changed Europe’s business environment?
2. What are the main dangers to the long-term success of the single currency?

Group Presentation

Part 3 – Inputs and Factors of Production

Week 9 – Trans-European Networks, Transport Policy and Meeting the Challenges of the Information Economy in Europe

1. Why is infrastructure so important to economic development?
2. How would an effective transport policy contribute to overarching EU objectives?

Group Presentation

Week 10

Study Week.

Week 11 – Energy and Environmental Policy

1. How has European energy policy and the environment facing European energy companies affected their behaviour and strategy?
2. Does European environmental policy stimulate or damage competitiveness? Where possible, provide examples and evidence to support your argument.

Week 12 – European Labour Market and Europe and the Consumer

1. What are the most important problems facing Europe's labour market? Identify and assess the responses of the EU, member states and business to these problems.
2. Consider ways in which business can respond to the ageing population in Europe.
3. How and in what ways have consumers benefited from the process of European integration?

Part 4 – Europe and the Rest of the World

Week 13 – European and Emerging Economies: Opportunities or Threats?

1. European business is coming under increasing competition pressure as a result of the emergence of China and India on the world economic stage. Discuss ways in which European business can and should respond to this pressure.
2. Russia is the least economically successful of the three emerging economies discussed in this chapter but it is of crucial importance to the EU and to European business. To what extent and why does the EU need Russia and, similarly, to what extent and why does Russia need the EU?

Read case study 18.1 "European Multinationals in China" (pp. 412-414) and prepare responses to questions 2 & 3.

Assessment Topics

In-class Test

Due Date: Week 4 (7 August 2008)

Length: 45 minutes

Value: 10 marks

The test will consist of a combination of short answer and case study questions covering weeks 1 to 3 (ie chapters 1 to 3). More information will be provided prior to the test.

Group Presentation

Due Date: Starting from week 5 (14 August 2008)

Length: 30 minutes

Value: 10 marks

The Task

Your presentation topic (a specific industry) will be nominated by your lecturer and a country within the European Union (EU) will be selected by you during the tutorial in week 2. You are required to prepare a market report for an Australian small and medium-sized enterprise (SME) with a specific product or product range, or a service of your choice, in your nominated industry considering your selected country as first point of entry to EU markets. Your market report will cover areas such as an overview of your company and its product/service, a PEST analysis (political and economic risks, social diversity, and technology advancement), as well as competition environment, infrastructure, product match, and the ease of doing business (EODB) in your selected country.

The main driver of the presentation is your ability to research, analyse and present a market report on the nominated topic. You have limited time for your presentation, which makes it imperative that you include only information which is of maximum importance for the presentation. The presentation will be in groups with a maximum of 3 members. The presentation should be structured as a learning exercise for the whole class and include material such as PowerPoint slides and handouts that could serve as a learning aid and as review. The PowerPoint presentation should list all references used on the last slide, and a copy of the whole presentation must be emailed to the lecturer by 10:00 am two days before presentation. The presentation will be followed by a 10 minute discussions with the class.

This is a group presentation and you will be assessed on your group's overall team work. Team work is an important work skill. This presentation and your group assignment will provide you with experience in working with others and is considered part of the overall assessment.

Group Assignment

Due Date: 24 September 2008

Length: 2500 words (maximum, not including references)

Value: 20 marks

This assignment requires your group to develop a major market expansion strategy report for the same SME and product/service as your presentation. You are required to provide a critical analysis of how you intend to expand your company into EU's single market from your current European operation. Your report must cover the following areas:

- Introduction (with detailed rationale for expansion)
- Industry and sectoral analysis (based on your nominated industry and your chosen product/service)
- Company SWOT analysis (Strengths/Weaknesses are internal components and Opportunities /Threats are external components)
- PEST analysis, competition environment, infrastructure, product match and EODB within the Single European Market (SEM)
- Entry strategy and scope (with detailed rationale for your selection)
- One major challenge with your selected entry strategy and scope
- Detailed recommendation/s to overcome this identified major challenge

In preparing your report, you will need to research beyond the unit's recommended reading list. This is an academic assignment and your report should be treated as a normal academic assessment and should be appropriately and substantially referenced. It must be based on a review of extant literature and current work on both International Business and European Business. You are required to support your report with a minimum of twelve (12) references from relevant academic texts (including your prescribed text), contemporary academic journals, professional journals and/or professional magazines. **Avoid referencing coursework from other universities or from dubious websites.**

Note: For your report, you might need to read topics not covered until weeks 11 to 13: European Labour Markets, European and Emerging Economies and Central and Eastern Europe.

Study Schedule

Semester 2, 2008

| Week | Start of Week | Text Chapter | Topic | Due Dates |
|--|---------------|-----------------|---|--|
| 1 | 14 July | 1 | A Portrait of Europe: Challenge and Change | |
| 2 | 21 July | 2 | The Integration Imperative: Theory and Practice | |
| 3 | 28 July | 3 | Europe and Globalisation | |
| 4 | 4 August | 4 | The Single European Market: The Bedrock of European Integration | In-class test |
| 5 | 11 August | 5 & 6 | European Competition Policy: The Guardian of Integrated Markets Industrial Policy: Meeting the Challenges of International Competitiveness | Group Presentation |
| 6 | 18 August | 7 | Developing Small Business and Entrepreneurship within Europe | Group Presentation |
| 7 | 25 August | 8 | Economic and Monetary Union: An Unfinished Project | Group Presentation |
| Mid-Semester Break 1—5 September | | | | |
| 8 | 8 September | 9, 10 & 12 | Trans-European Networks: Building an Infrastructure for Europe Transport Policy: Towards Efficient and Effective Mobility Meeting the Challenges of the Information Economy in Europe | Group Presentation |
| 9 | 15 September | 11 & 14 | Energy Policy: Developing Competitive, Clean and Secure Energy Supplies Environment Policy: A Green Light for Competitiveness? | Group Presentation |
| 10 | 22 September | | <i>Study Week 22–26 September</i> | Major Group Assignment due 24 September 2008 |
| 11 | 29 September | 13 & 15 | European Labour Markets: The Search for Flexibility Europe and the Consumer: Taking the European Consumer into Account | |
| 12 | 6 October | 18 | European and Emerging Economies: Opportunity or Threats? | |
| 13 | 13 October | 16, 17 & Review | Central and Eastern Europe: Response to A New Business Environment European Business in a Global Context: The Developed World | |
| Examination Period 25 October-11 November 2008 | | | | |
| A Calendar/Study Planner showing dates is available from School of Management website at http://www.utas.edu.au/mgmt/student.htm . | | | | |