

DOING BUSINESS IN EMERGING MARKETS

Understanding Institutional Frameworks – Building Winning Strategies

Number of sessions: 30

Length of each session: 1,5 h

Total length of the module: 45 hours

OVERVIEW

Emerging economies account for about 120 of a total of 160 countries recognised by the United Nations. In today's global environment, as companies seek sustainable competitive advantage, they need to develop effective strategies to deal with emerging markets. This course is centred on the challenges and opportunities associated with organizational management and business strategy in emerging economies. Business cases in emerging economies from diverse geographical regions such as Asia, Latin America, Middle East and Eastern Europe will be discussed. Major learning objectives include:

- Identify and understand the main differences and similarities that characterise emerging economies.
- Understand and analyse the challenges and opportunities presented by emerging economies.
- Identify the institutions of emerging economies that are relevant to managers and understand how they work.
- Comprehend how cultural idiosyncrasies affect business operations in emerging economies.
- Get acquainted with distinct strategy options for emerging economies.
- Get familiarised with negotiation practices for dealing with business partners in emerging markets.
- Analyse the additional ethical challenges and issues of social responsibility common in emerging markets.

REQUIREMENTS

Fluent in English

CONTENTS

Classes will be conducted in seminar format promoting student's participation. Attendance is not compulsory, but it is crucial to attain a satisfactory grade. It is important to remark that most of the theoretical material is needed to undertake the case studies and the final exam. Fundamental theoretical notions and special issues regarding management in emerging markets will be discussed in class and applied on case studies. Although there is a theoretical base, the class is mainly case study based.

The outline of the course follows:

1. Understanding emerging economies:
 - What are emerging economies?
 - Why are emerging economies important?
 - Why are they still emerging?
 - Perspectives for evaluating emerging market potential .
2. Managing challenges in emerging economies:
 - Identifying risks in emerging economies.
 - Economic, institutional and political frameworks.
 - Privatization and market liberalization.
 - Culture management and development .
3. Doing business in emerging economies:
 - Strategies for emerging markets.
 - Market entry strategies.
 - Marketing and sourcing.
 - Managing joint-ventures and partnerships.
 - International negotiations.
 - Growing emerging economies companies.
 - Corporate social responsibility in emerging economies.

GRADING

The final grade of each student is determined considering the following weights:

1. Participation: In-class participation and involvement in class debates during the presentations (20%). The following categories will be used to evaluate class participation:

Outstanding contribution	10 points
Very Good	8 points
Good	6 points
Managed to say something	3 points
No contribution	0 points

2. Case studies (and presentations): Quality and originality, as well as commitment will be considered (35%).

3. Group project (45%): Each group should prepare a report, including recommendations, for a company's overall foreign market entry strategy into an emerging market. A synopsis for this assignment containing detailed information regarding requirements will be provided in class.

All case assignments should be solved in groups of minimum 2 and maximum 5 students. Groups should be established during the first week of the course, no future changes in the group's composition being allowed. Also, students have to prepare a short presentation (slides in Power Point), because there is the possibility that they present it in class. When requested, the students must make use of the theory exposed in class (short presentations, up to 20 minutes). All groups must be prepared to do so since the group that will present will be randomly selected.

Punctuality is crucial when delivering the case studies assigned. No case will be accepted after the pre-agreed deadline. All the case studies must be sent by email.

Students will also receive a mid-term feedback report including an assessment on the evolution of their learning process and recommendations for improvement.

In the case that the students want to receive specific feedback from the professor, they must ask for an appointment.

READINGS AND MATERIALS

All necessary readings as well as the case-study pack and additional material will be handed to students during the course.

In addition, the following books are complementary readings:

MERCHANT, H (2007) *Competing in Emerging Markets. Cases and Readings*. Routledge. Taylor&Francis Group

CAVUSGIL, S.T., Ghauri, P.N.; Agarwal, M.R. (2002) *Doing Business in Emerging Markets*. Sage Publications Inc.