INTERNATIONAL BUSINESS

International Business

Strategy and Operations

Edgar P. Hibbert

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A Merchant has no Nation

Mediaeval Proverb

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Introduction

This text provides an integrated approach in understanding international trade as a basis for developing the overall business strategy of the firm; and this is the context within which effective international operations can be planned and implemented. The text is aimed at undergraduate and postgraduate degree level students taking courses in international economics, international trade, export management and international business/marketing. The data used, especially for the Case Examples, includes information from experiential data and secondary sources across many countries.

In the synopsis of chapters, the coverage of topics follows a progression from concepts, through strategy and planning, to operations. Chapter 1 explains key developments in trade theory and policy as they affect trading prospects and foreign market access. Chapter 2 explains the general principles of international business, including the concept of internationalisation, the role of the multinational corporation and the government/industry interface (with emphasis on trade policy and trade promotion). Chapter 3 deals with environment analysis, demand analysis across countries and multi-country market research. Chapter 4 examines the roles of innovation, design and manufacturing in international competition, following the section on strategic factors and options. Chapter 5 discusses some critical decision-making areas for management in planning international operations, from acquisitions to strategic business alliances. Chapter 6 deals with key financial aspects, including foreign direct investment, raising finance for international operations and profit improvement. Chapter 7 covers effective management of operations such as risk and crisis management, agencies and subsidiaries, international contracting and countertrading. Chapter 8 consolidates the planning and operations aspects with a sharp focus on marketing: this Chapter will also show the link with demand analysis and research (Chapter 3) and marketing planning (Chapter 5), explaining the outcome in terms of effective marketing and promotion programmes.

The text contains new material, particularly topical case examples from industries and countries to illustrate applications and so forth. The coverage is broadly-based: there is a selective treatment of market regions (for example the European Union is already extensively documented elsewhere); this approach also ensures a wide international appeal.

This is a text on international management, but it is more than that: it provides the global context within which the manager can operate effectively (Chapters 5, 6, 7 and 8); as such there is the constituency of senior managers in

trade and industry responsible for, or in a position to influence, their companies' international trading who would also benefit from this text (these include directors of operations, marketing and export directors, managing directors of subsidiaries, directors of corporate affairs, and so on).

Other topical highlights which differentiate this text include: an analysis of the significance of technology transfer; a critique of international competitiveness, both inter-firm and inter-country; an analysis of the government/industry interface; an assessment of the growth of business alliances; the emerging role of the global manager; risk and crisis management, profit and performance improvement and implementing effectively international promotion. The text is analytical throughout with some detailed trade statistics for reference.

The text is designed for taught undergraduate and postgraduate courses in international business. The Case Examples are intended to go some way towards meeting the demand for case material and thereby provide managerial applications in specific contexts of the concepts and principles.

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The Case Examples, of which there are 108, are adapted from wide reading of the trade, management and business press, and other sources. Every effort has been made to trace all copyright-holders, but if any have been inadvertently overlooked the publishers will be pleased to make the necessary arrangement at the first opportunity.