Elements of International Business => Domestic vs. international business =(Legal and regulatory framework, Financial management, Trade barriers and tariffs, Accounting and taxation, Culture, Market forces), Advantages of international business =(Low cost production, Strategic resources, Large customer base, Competitive advantage, Diversify risk), Drivers of international business =(Global marketplace, Emerging markets, Small domestic market, Diminishing trade and investment barriers, Technological innovation, Changing demographics, Trading blocs), Entry to international business =(Export strategy, Licensing, Franchising, Foreign Direct Investment)

international trade theories => Mercantilism, Absolute advantage theory, Comparative advantage theory, The Heckscher-Ohlin Trade Theory, Product lifecycle theory =(New product stage, Maturing product stage, Standardised), Porter’s diamond model =(Factor endowments, Demand conditions, Relating and supporting industries, Firm strategy, structure and rivalry)

Economic structure Key variables => Economic structure, Industry structure, Market growth, Income levels, Sector wise trends, Openness of the economy, International debt, Degree of urbanization

Balance of payments => Importance, Balance of payment account, Deficits and surpluses

Demographic Environment => Segment selection, Branding and strategy, Market trending and comparison among products, Assumption of country culture, Understanding demographic changes, Socio-cultural environment

Legal systems => Common law, Code, Islamic

Meaning of Culture => Need to understand cultural differences, Hofstede’s cultural dimensions =(Power Distance Index (PDI), Individualism, Masculinity, Uncertainty Avoidance Index (UAI), Long-Term Orientation (LTO))

Significance of country culture => Cultural elements that relate business, Language, Religion, Conflicting attitudes

Cross cultural management => Cross cultural management skills, Handling cultural diversity, Factors controlling group creativity, Ignore diversity

Advantages of Foreign Investment => Easier integration into global economy, Upgradation in technology and advancement in technical Knowhow, Increased competition improved productivity, Improvement in human development skills

Types of foreign investments => Foreign Direct Investment =(Greenfield Investments, Mergers and acquisitions, Joint ventures), Foreign Portfolio Investment =(Global Depository Receipt, Foreign Institutional Investors, Foreign Currency Convertible Bonds)

Motives for foreign investments => Political motives, Economic motives, Competitive motives

Types of Integration => Preferential trading agreement, Free trade area, Custom union, Common market, Economic union, Political union

Regional Trading Arrangements => The European Union (EU), European Free Trade Association (EFTA), North American Free Trade Agreement (NAFTA), Southern Common Market (MERCOSUR), ASEAN Free Trade Area (AFTA), Asia-Pacific Economic Cooperation (APEC), Gulf Cooperation Council (GCC), South Asian Free Trade Area (SAFTA) =(Political causes, Protectionism)

India and Trade Agreements => Asia-Pacific Trade Agreement (APTA), Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC), Framework Agreement on Comprehensive Economic Cooperation between India and the Association of South East Asian Nations, India-MERCOSUR Preferential Trade Agreement (PTA)

functions of the WTO => Developing transitional economies, Providing help for export promotion, Cooperating in global economic policy-making, Monitoring implementation of the agreement, Providing forum for negotiations,Administrating dispute settlement

WTO Structure => Council for Trade in Goods, Trade in Services and Trade of Intellectual Property Rights, Committee on Trade and Development, The Committee on Balance of Payments, Committee on Budget and Administration

WTO Principles => Trading without discrimination, Trade barriers negotiated downwards, Predictable trading, Competitive trading, Encourage development and economic reforms

WTO Agreements => General Agreement on Trade in Services (GATS), Trade-Related Aspects of Intellectual Property Rights (TRIPS), General Agreement on Tariffs and Trade (GATT)

International Labour Organisation (ILO) bodies => International Labour Conference, Governing Body, International Labour Office

International Labour Code conventions and recommendations => Conventions, Recommendations

IFM modules => Currencies and asset prices, Multinational financial decision making, Cross-border valuation and financing, Institutions and finance

Domestic versus international financial management => Foreign exchange risks, Political risks, Market imperfection, Enhanced opportunity set

Components of International Financial Management => Foreign exchange market =(Outright cash or ready, Next day, Swap‘Spot’ and ‘Forward’ contracts), Foreign currency derivatives, International monetary systems =(The gold and gold bullion standards, The gold-exchange system, Floating exchange rates and recent development), International financial markets =(The foreign currency markets, International money markets, International capital markets, International security markets)

enormous growth in the trading of foreign currency => Deregulation of international capital flows, Gain in technology and transaction cost efficiency, Market upswings

Scope of International Financial Management => Management of working capital =(Liquidity policy, Profitability policy, Need for working capital management), Financing decisions =(Flexibility, Risk, Income, Control, Time, Refinancing risk, Inflation), Taxation =(Tax neutrality, Tax equity, Avoidance of double taxation)

Classification of accounting systems => Financial accounting, Cost accounting =(Cost accounting and GAAP, Clients of cost accounting, Cost accounting and ethics)

International Regulatory Bodies => European Union, United Nations, Organisation for Economic Cooperation and Development (OECD), International Accounting Standards Committee (IASC), The International Federation of Accountants (IFA)

International Financial Reporting Standards => Structure of IFRS, Framework, Objective of financial statements, Underlying assumptions =(Accrual basis, Going concern, Stable measuring unit assumption, Units of constant purchasing power), Qualitative characteristics of financial statements, Elements of financial statements =(Asset, Liability, Equity, Revenues, Expenses), Measurement of the elements of financial statements =(Historical cost, Current cost, Realisable (settlement) value)

Mode of entering into potential markets => Exporting, Licensing, Joint ventures, Wholly Owned Subsidiary (WOS)

Global Marketing Strategies => Segmentation, Market positioning, International product policy, International pricing decisions =(Market penetration, Market holding, Market skimming | ‘Sticker’ price changes, Change quantity, Change quality, Change terms), Transfer pricing, International advertising, International promotion and distribution

Branding for International Markets => Valuation of brands, Challenges of international branding

strategic objectives => Specific, Measurable, Appropriate, Realistic, Timely

Types of strategic planning => Strategic planning, Intermediate planning, Short-term planning

levels of strategic management process => Mission and objectives, Situation analysis, Strategy formulation, Implementation, Evaluation and control

Strategy formulation aspects => Corporate level strategy =( Directional or growth strategy ,Portfolio strategy, Parenting strategy), Business level strategy or competitive strategy, Functional strategy

Business Ethics Factors => Religion, Culture, Law

Importance of business ethics => Public image, Management’s credibility with employees, Better decision-making, Profit maximization, Protection of society

International Business and Ethics => Bribery and corruption, Worker compensation

Managing ethics technique => Top management, Code of ethics, Ethics committee, Ethics hotline, Ethics training programmes, Ethics and law

Free market ethics => Market ethics, The protestant ethics, Liberty ethics

National Differences in Ethics => Ethical relativism and ethical universalism, Ethical convergence

Negotiating across cultures => Linear model, Encompassing model

Ethical issues => Ethical decision making =( Utilitarian, Moral rights, Universalism, Cost-benefit)

Code of conduct for MNCs => Corporate ethical programmes, Social responsibility and ethics

Factors influencing organisation structure => Environment =( Internal environment =( Ethnocentric management, Polycentric management, Geocentric management), External environment =( Environmental risks, Strategy for expansion)), Technology

Types of structures => Export structure, International division structure, Functional, Regional, Foreign subsidiary, Product division, International matrix

Dimensions / Scope of international human resources management => Human resource activities, Countries of operation, Origin of employees

Staffing policies in international business => Ethnocentric approach, Polycentric approach, Regio-centric approach, Geocentric approach

Payment terms in foreign trade => Cash-in-advance, Letters of credit, Documentary collections, Open account

Documentation in International Trade => Commercial invoice, Packing List, Bill of lading, Insurance certificate

Financing Techniques => Banker’s acceptance, Factoring, Forfaiting

Export and Import Finance => Short term credit, Long term credit, EXIM bank

Reasons for Global Sourcing => Lower salary and wages, Regulatory costs in business, Tax breaks and benefits, Improved performance, Faster turnaround time, Uncertainty over political/business climate, Proximity to key markets

Advantages of Global Sourcing => Benefits of core competency, Effective and efficient business operations, Reduced overhead expenses, Better control on operations, Manpower staffing flexibility, Sustainable business operations and reduced risks

Disadvantages of Global Outsourcing => Loss of managerial control, Hidden costs in business operations: when company outsources business process, Threat to security and confidentiality, Quality assurance in business process, Financial dependence on another company, Ill-will and bad publicity

Global Sourcing Challenges to Indian Industries => Recruiting competent and skilled workforce, Training and development for manpower, Controlling attrition and managing retention, Ensuring satisfactory customer satisfaction/service levels, Infrastructural and logistical challenges