

Multinational Management

A STRATEGIC APPROACH

John B. Cullen

2nd Ed.

SECOND EDITION

Multinational Management

A STRATEGIC APPROACH

John B. Cullen Washington State University



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Globalization is changing the nature of business education today. The process of globalization stems from a number of important factors including reduced trade barriers, multinational e-commerce, technological innovations, the growing similarity of customer needs, and the proliferation of transnational corporations, and it is strategy that defines this process. Developing and making strategic choices are the mainstay of successful decision making in our global environment. To help the reader develop the essential skills needed to formulate and implement these strategic moves, this text provides a thorough review and analysis of the latest research on international management.

Multinational Management: A Strategic Approach brings a distinctive method to the teaching and learning of international management, using a strategic perspective as a unifying theme to explore the global economy and the impact of managerial decisions. This text is the first international management text that uses this critical emphasis on strategic decision making as the cornerstone of its approach.

Successful multinational managers view the world as an integrated market where competition and collaboration evolve from almost anywhere and anyone. At the same time, these managers must appreciate the wide array of differences that exist in cultures and social institutions. To facilitate this orientation, this text explores not only a North American view of multinational management, but also looks at how companies throughout the world approach global competition. As such, the reader is not limited to understanding multinational management from the perspective of any one nation or group.

NEW TO THIS EDITION

While the entire text has been reworked to reflect current research and examples from the field of International Management, specific revisions to the text material include: **E-Business:** The second edition features an entire chapter dedicated to multinational e-commerce strategies and structure. The chapter highlights the benefits and challenges of e-commerce for all types of multinational businesses.

Internet Activities: In the second edition Internet activities have been added to the end of *every* chapter to give learners an opportunity to apply Web resources to multinational management issues.

Diverse Examples: This edition extensively utilizes examples from regions outside of the Triad, including Africa, South America, Southeast Asia, and the Middle East.

Current: All chapters were updated to include the latest research, examples, and statistics in multinational management to create the most accurate and current presentation possible. Highlights include:

- the most current multinational management examples in the boxed features included in each chapter
- · recent findings from Trompenaars' studies of national culture
- new findings on multinational leadership from GLOBE: The Global Leadership and Organizational Behavior Effectiveness Research Program
- prepublication information from the author's own research on trust within and between cultural groups
- · five new integrating cases

PEDAGOGICAL APPROACH

Multinational Management: A Strategic Approach, Second Edition provides a thorough review and analysis of multinational management. In addition, this text includes several unique pedagogical learning tools:

Strategic Viewpoint: Although this is not a strategic management text, the strategic viewpoint provides a unifying theme that guides the reader through the material. Additionally, this theme highlights for students the process multinational companies engage in when deciding to compete in the global economy, and the management consequences of these strategic choices.

Comparative Management Issues: Multinational managers must learn to understand the strengths, weaknesses, and strategies of competitors from anywhere in the world. In addition, they must know when and how to adapt their organizational practices to accommodate local situations. The comparative nature of this text is designed to assist students in reorienting themselves to understand the complexities of other nations and cultures.

Reviews of Management Principles: The text contains several chapters that assume limited background knowledge in management. These topics include strategic management, organizational design, human resource management, and organizational behavior. For students with limited previous coursework or who need a review, each chapter provides background primers with a brief explanation of key concepts and ideas.

Small Business Applications: Unlike most international management texts, this book offers the multinational activities of small businesses a prominent position. An entire chapter focuses specifically on the problems and prospects for small businesses looking to become multinational competitors. Two of the integrating cases challenge students to apply the concepts and theories of small business management in the global environment.

KEY FEATURES

Internet Activities: All chapters include Internet activities that challenge students to use resources on the World Wide Web to locate international business information. Also, an extensive selection of Internet source information is listed at the end of each chapter. These include private corporations, government resources, and other valuable Web addresses.

Chapter Cases and Activities: The text divides major end-of-chapter projects between cases and activities. Eight chapters offer end-of-chapter cases, which give the learner the opportunity to apply text material to real life managerial problems. The remaining chapters feature detailed end-of-chapter experiential exercises or assignments that encourage the reader to apply text material to concrete problems. These exercises simulate the challenges that practicing multinational managers encounter on the job.

Integrating Cases: Each of the six parts offer a selection of full-length cases that require the integration of material from all preceding chapters. These cases were chosen to challenge the reader with the complexities of the global environment.

Extensive Examples: Throughout the text, there are many examples designed to enhance the text material and to show actual multinational management situations. These examples are illustrated in four different formats:

- Preview Case in Point: Brief cases open each chapter and focus the reader's interest on the chapter content.
- Case in Point: Include real life examples of multinational companies and discuss relevant topics in each chapter.
- Multinational Management Challenge: Explore decisions made by management staff using actual companies and situations.
- Multinational Management Brief: Each brief further explains or details an issue discussed in the text.

Models as Examples: To further explain key principles, extensive sets of models created by the author offer visual aides for students to draw upon as they study the material.

CONTENTS

The text is structured into six major parts. Part 1 is divided into four introductory chapters that provide essential background on the nature of multinational management. These chapters address the challenges facing managers in the new global economy, how national cultures affect management, international negotiation and communication, and managing ethical and social responsibility in multinational companies.

Part 2 includes two chapters that review how multinational companies formulate successful strategies to compete internationally. The first chapter provides a broad overview of strategic management with multinational implications. The second chapter focuses on the strategies required to "go international."

Part 3 addresses the management systems used to implement multinational strategies. Specifically, the first chapter of Part 3 considers how multinational companies design and structure their organizations to implement these strategies. The second chapter examines the management and design issues involved in building international strategic alliances.

Part 4 considers two specialized topics. One chapter, new to this edition, focuses on the strategies and structures of multinational e-commerce. Another chapter

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focuses on how the concepts discussed regarding multinational strategies and organizational design apply to smaller, entrepreneurial organizations.

Part 5 deals with strategy implementation at the level of the individual in the organization. Topics considered include international human resource practices, the adaptation of these practices across cultures, and motivation and leadership in multinational companies.

Finally, Part 6 explores how companies in different countries develop their own brands of strategic management and why different organization designs occur in various nations.

FOR INSTRUCTORS

Multinational Management offers the most learning and teaching intensive package for students and instructors. These supplements to the text give both students and instructors many options for learning and teaching the text content.

Instructor's Manual with Test Bank: This book offers instructional materials, a full test bank, and a full set of transparency masters. (ISBN: 0-324-05570-6)

PowerPointTM Slide Presentations: The author has created more than 300 slides that illustrate the concepts of each chapter. These can be found on the Web site at http://cullen.swcollege.com.

Web Site: This strong Web site (http://cullen.swcollege.com) is updated by the author and offers a full set of PowerPoint slides, sample syllabi, teaching tips, and continuously updated Internet addresses, among other items.

FOR STUDENTS

Web Site: The same Web site offers students study questions and tips, key term definitions, and Internet sites and activities, among other learning aides.

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