

# Operational Management in International Business (W3BW\_IB205)

## Operational Management in International Business

### FORMAL INFORMATION ON THE MODULE

MODULE NUMBER	LOCATION IN THE COURSE OF STUDY	MODULE DURATION (SEMESTER)	MODULE RESPONSIBILITY	LANGUAGE
W3BW_IB205	2nd academic year	2	Prof Dr Simone Maier	German/English

### FORMS OF TEACHING USED

Lecture, exercise

### FORMS OF EXAMINATION USED

EXAM PERFORMANCE	EXAM DURATION (IN MINUTES)	GRADING
Written exam	150	yes

### WORKLOAD AND ECTS CREDITS

TOTAL WORKLOAD (IN H)	OF WHICH ATTENDANCE TIME (IN H)	OF WHICH SELF-STUDY (IN H)	ECTS CREDIT POINTS
240	88	152	8

### QUALIFICATION OBJECTIVES AND COMPETENCES

#### PROFESSIONAL COMPETENCE

Students are familiar with the design options that arise for companies through the internationalisation of goods and financial flows. An understanding of the underlying models enables students to identify the potential and limits of internationalisation decisions. They will be able to compare the basic alternatives for internationalisation decisions from offshoring to the use of service providers, strategic partnerships, joint ventures and the various forms of direct investment. They can also alternative locations in terms of their opportunities and risks.

Students understand the financial implications of internationalisation decisions. They can assess the financial risks and recommend suitable hedging instruments and strategies. They will be familiar with the instruments for carrying out and financing international trade transactions. They are familiar with common procedures for the financial optimisation of the flow of goods in the company.

They assess decisions from different perspectives within the company, such as the customer, financial and logistics viewpoints. They are able to identify and evaluate the associated risks and are familiar with risk management measures. Students will be able to assess the applicability of theories and models and use them to understand and evaluate globalisation decisions in their own company.

#### METHODOLOGICAL EXPERTISE

Students know basic models and procedures of capacity management, inventory management, sales forecasting, order processing and transport management for the organisation of the international flow of goods and can apply these to simple examples.

They are familiar with financing models, in particular for taking account of interest and exchange rate developments in alternative financing plans, and can identify financial risks. They use methods to assess country-specific opportunities and risks.

They are able to make a comprehensive comparative assessment of alternative location and financing decisions both in international trade and for direct investments. They are familiar with simple evaluation methods for decisions under uncertainty, such as sensitivity analysis or decision tree methods. They are proficient in basic elements of risk management and can apply these.

#### PERSONAL AND SOCIAL COMPETENCE

Students understand the effects of globalisation decisions and the associated flows of goods and finance with regard to the economy, society and the environment. They critically analyse economic, social and ethical areas of conflict. They will be able to categorise the differences between real economic financing instruments compared to speculative financing and their consequences in the international environment.

#### OVERARCHING COMPETENCE

Students are able to evaluate internationalisation decisions from different perspectives within the company. They assess the effects on the economy, society and the environment holistically and thus identify conflicts of interest with stakeholders at an early stage. This enables them to well-founded decisions on internationalisation both internally and externally.

## LEARNING UNITS AND CONTENT

### TEACHING AND LEARNING UNITS

	PRESENCE TIME	SELF-STUDY
International Operations Management	44	76
Processes in operations and supply chain management; design options for global supply chains; order fulfilment; capacity management/inventory management; Make-or-buy; sourcing; international transactions; risk exposure in international supply chains.		
International Financial Management	44	76
Determination of risk exposures in internationalisation strategies (e.g. transaction risk, translation risk, economic currency risk) Transaction risk, translation risk, economic currency risk); hedging of risk exposures via derivatives (hedging strategies, forwards, futures, options); documents in foreign trade (customs documents, certificates of origin, shipping documents, order documents, insurance documents, movement certificates, SGS and PSI certificates); Foreign trade financing (Hermes guarantees, international export and investment guarantee cover, forms of risk cover, foreign credit institutions, KfW project financing, forfaiting, buyer credits); International payment transactions (international bill of exchange transactions, BOE versus promissory notes, discounting of bills of exchange, acceptances, drafts and endorsements, documentary collection transactions, letters of credit); Use of supply chain financing to optimise business processes (e.g. factoring, leasing, cash forwards); Use of international payment transactions (e.g. international bills of exchange, BOE versus promissory notes, discounting of bills of exchange, acceptances, drafts and endorsements, documentary collection transactions, letters of credit).e.g. factoring, leasing, cash forwarding); optimisation of working capital (e.g. cash management, receivables management, payables management, capital structure management)		

### SPECIAL FEATURES

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### PREREQUISITES

None

### LITERATURE

Brealey, R./ Myers, S./ Allen, F.: Principles of Corporate Finance, New York: McGraw-Hill.  
Bretzke, W.-R.: Logistical Networks, Berlin: Springer.  
Cooper, R.: Corporate Treasury and Cash Management, Basingstoke: Macmillan.  
Coyle, J.J./ Novack, R.A./ Gibson, B.J./ Bardi E.J.: Transportation. A Supply Chain Perspective, South-Western: Cengage Learning.  
Eun, C.S./ Resnick, B.G.: International Finance, Maidenhead: McGraw-Hill.  
Grant, D.B./ Lambert, D.M./ Stock, J.R./ Ellram, L.M.: Fundamentals of Logistics Management, London: McGraw-Hill.  
Heizer, J./ Render, B.M.: Operations Management, Harlow: Pearson.  
Ivanov, D./ Tsipoulanidis, A.: Global Supply Chain & Operation Management, Zurich: Springer International Publishing.  
Kouvelis, P./ Dong L.: Handbook of Integrated Risk Management in Global Supply Chains, Hoboken: Wiley.  
Krajewski, L.J./ Malhotra, M.K.: Operations Management. Processes and Supply Chains, Harlow: Pearson.  
Mieke, C./ Nagel, M.: Production and Logistics. The most important methods, Konstanz: UVK.  
Perridon, L./ Steiner, M.: Finanzwirtschaft der Unternehmung, Munich: Vahlen. Shapiro, A.C.: Multinational Financial Management, Hoboken: Wiley.  
Wachowitz, J./ Van Horne: Fundamentals of Financial Management, New York: Prentice Hall.