ECN 7575 - Business Models, Competitiveness, and the Changing European Environment Division: Economics Winter 2020

**BASIC INFORMATION:**

 PROFESSOR(s) 

 OFFICE 

 CAMPUS PHONE  ALTERNATIVE PHONE 

 EMAIL 

 OFFICE HOURS 

 CLASSROOM 

**COURSE OBJECTIVES:**

* Master Structure-Conduct-Performance Paradigm to analyze competitiveness of companies.
* Learn about luxury brand management and analyze business model options for luxury brands.
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* Identify ways in which global companies adapt to succeed and define their strategy for the EU markets.
* Learn about the competition policies in the EU and the impact of these on the strategic choices of companies
* Develop an understanding of competitive and strategic opportunities and challenges of companies in the EU.
* Analyze gains from economic integration and benefits and costs of trade.

**COURSE SUMMARY:**

ECN7575 explores competitive and strategic dimensions of companies doing business in the European Union (EU). The EU’s institutions, history and culture provide unique opportunities and challenges for firms. For example, students will see firsthand how global companies refine their solutions across different markets within the EU to better capture customer value and increase profitability. Market dynamics and disruptions, such as current trade wars, Brexit, changes in technology, and evolving EU regulations, make strategic thinking based on understanding of global markets critical to firm success. This course prepares students for such thinking and provides a rich context for evaluating the decisions made by companies engaged not just in global competition, and sales, but also in global supply chain management. Applications discussed will also include luxury brand management, and consequences of specific business model choices for valuation, revenue potential, and brand equity objectives.

ECN7575 is divided into two parts: two on-campus lectures (WebEx available for Blended Learning students) and a week-long site visit to Italy. Through a combination of classroom lectures, discussions, and company visits, students will get the chance to develop a deep understanding of how companies organize themselves to compete and grow in the European Union. During the Milan visit, faculty from Bocconi University, a leader in business and economics education in Europe, will deliver lectures and case discussions pertaining to current developments in the EU and global markets and relate them to company visits. In Italy, students will visit 5-6 companies to study challenges and opportunities these companies are facing in the context of the EU, its institutions, and global competition. In the past, we have visited online firms, such as Amazon and Google, automakers Lamborghini, Ferrari and Maserati, luxury fashion brands such as Ermenegildo Zegna and Armani, the Italian food disruptor, Eataly, and business-to-business product and service companies such as Brembo and DHL.

Last but not least, several activities are planned that will allow students to engage in and embrace Italian history and culture. Past excursions included a night at La Scala, one of the oldest opera houses, a viewing of Leonardo DaVinci’s The Last Supper, and attending a soccer game at San Siro Stadium.

**COURSE MATERIALS:**

*Course Blackboard Site and Resources:* The class Blackboard site will consist of readings and any class documents and will provide information on background readings and other announcements.

In addition, the Babson College library maintains a research site for this course: please check under: **European Union** or use the link:<https://libguides.babson.edu/europeanunion>

This site provides information on publications and data sources, including several links to statistical and informational websites dealing with competitiveness issues in EC. The site provides a good starting point for your paper.

Also, you can book research consultations with one of our librarians, these can be done via WebEx and appointments are available EST Monday – Thursday 11 a.m. – 7 p.m., Fridays 11-5, no weekends. To book an appointment, you need to use the *booknow* link which is on the Library home page.  Our librarians are very knowledgeable and helpful.

**GRADING and COURSE DELIVERABLES:**

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| **Assignment** | **Individual/Group** | **Percent** | **Due Date** |
| On-site: Class Participation and Professionalism | Individual | 20% | ongoing |
| Pre-departure participation and attendance | Individual | 10% | ongoing |
| Company Visit Reports | Individual | 30% | 1/27/2020 |
| Final PaperPreliminary Outline Due 3/29 | Individual | 40% | 1/31/2020 |
| Total Available Points |  | **100%** |  |

**IMPORTANT COURSE DATES:**

Pre-departure Session 1: November 21, 2019 5:30-9:00 PM

Pre-departure Session 2: December 5, 2019 5:30-9:00 PM

Travel Dates: January 10 to January 18, 2020

Debrief session: Friday January 17, 2020, 4 pm-6:00 pm

Course Prerequisites:

* + 1. Evening MBA must have completed 12 credits by the time the Elective Abroad course begins travel.
		2. Students are recommended to have completed the following two courses: Managerial Economics (ECN7500) and Global Macroeconomics (ECN7501) courses.

*Final Paper.* Students are required to write an 8-14 page paper. The major course deliverable is a term paper on any EU competitiveness challenge, operational, policy, or strategy issue of the student’s choice. Students are encouraged to choose a topic of special interest to them from either a career perspective or area of interest. The purpose of this work is to provide the student with an opportunity to explore a specific topic of interest in depth, and to integrate the learnings from this course that will take place in and out of the classroom.

**Students will submit their papers electronically, using the software *Turnitin.***

Students will be required to submit a *preliminary outline* of their proposed paper by January 23, 2020 at the latest, and the instructor will work with the student to refine and finalize the topic. Final paper topics must be approved by the instructor.

The paper will be due on January 31and will represent 40 percent of the grade. Late submissions will be downgraded.

*Proper referencing and citations in assignments:* In case you need guidance in citing and referencing please check the Citing Sources Guide:  <https://libguides.babson.edu/europeanunion>. Besides examples for standard things like journal articles and books, it also provides examples for citing reports, company profiles, data sets, etc.  You can also access this guide from the  [home page of the library website](http://www.babson.edu/Academics/library/Pages/home.aspx).

**CLASS PARTICIPATION EXPECTATIONS**

* Preparation – completing daily class assignments before class, preparing readings and cases (if any) to the extent that you are able to discuss them competently
* Participation – voluntary participation in class discussion and company presentations, raising pertinent questions, completing in-class exercises
* Professionalism – arriving on time, paying attention, refraining from electronic distractions, treating hosts, professors and classmates with courtesy and respect

**CLASS PARTICIPATION GRADE CRITERIA**

A class participation grade of B+/B indicates that a student is prepared and makes appropriate and useful contributions to class discussion.  A- grade shows that a student’s contributions significantly extend the analysis or discussion and A indicates that a student’s contributions profoundly shape and/or alter the learning experience of the class.  Lower class participation grades show a student who is not prepared and whose contributions add little or no value.

**SERVICES FOR STUDENTS WITH DISABILITIES:**
Any student who qualifies for accommodations based on the impact of a disability should contact your program advisor privately and in a timely fashion to discuss his or her specific needs. In addition, students must also contact the Manager of Disability Services at 781-239-4508 or in Hollister Hall to coordinate reasonable academic accommodations. <http://www.babson.edu/undergraduate/advising-and-support/disability-services/Pages/default.aspx>

**ACADEMIC HONESTY AND INTEGRITY POLICY:**

*Commitment to Academic Integrity* **–**Every member of the Babson graduate community is expected to uphold the principles embodied in the academic honesty and integrity policy. All members of the College community –students, faculty, and staff share responsibility to bring forward known acts of apparent academic dishonesty. Any member of the academic community who witnesses or otherwise becomes aware of an act of academic dishonesty should report it to the appropriate faculty member or to the Associate Director of Graduate Student Affairs in Graduate Programs and Student Affairs. Detailed information can be found in the graduate student handbook. You may download a copy by clicking on the link below.

<http://www.babson.edu/program/graduate/documents/graduate-student-handbook.pdf>

**RELIGIOUS OBSERVANCES:**
Any student who faces a conflict between the requirements of a course and the observance of his or her religious faith should contact the instructor as early in the semester as possible. In such event, the instructor will provide reasonable accommodations that do not unduly disadvantage the student.

**SESSION DETAILS:**

**SESSION 1: Pre-departure Session 1**

LEARNING OBJECTIVES

Develop an understanding of the Structure Conduct and Performance Paradigm to analyze competitiveness of companies.

Develop familiarity with art history of Milan and opportunities to learn about Milan’s culture and history.

SESSION WORK

READINGS:

A McWilliams, D. Smart, “Efficiency v. Structure-Conduct-Performance: Implications for Strategy Research and Practice”, Journal of Management, February 1993

S. Martin, “Industrial Organization in Context” Chapter 19: EU Competition Policy: Background, Oxford University Press

**SCAN** The rankings for Italy on various dimensions in the *The Global Competitiveness Report 2019* (World Economic Forum)

ASSIGNMENT: Competitiveness Analysis (On Blackboard)

MATERIALS CAN BE FOUND: Blackboard Course Site

**SESSION 2: Pre-departure Session 2**

LEARNING OBJECTIVES:

Introduction of the history and fundamental principles for the European Union, European Institutions and Policies.

Use the Global Competitiveness Report to identify strengths and weaknesses of the Italian Economy.

Explain the benefits of a custom union and under what conditions members benefit. Explain the economic reasoning behind a currency union.

SESSION WORK

READINGS: Lecture Notes: Custom Union and European Monetary Union

ASSIGNMENT: Why did the Eurozone countries agree to a ‘stability and growth act’ as part of the rules that member countries need to follow? How have EU members responded to the ongoing Eurozone crisis?

- Globalization 3.0 and the rise of Global Value Chains

- Protectionism: an old response to a new challenge?

- Regional integration agreements and the benefits of trade

- Italy in the integrated world

SESSION WORK

READINGS:

- Hufbauer, Gary, Lu, Zhiyao, “US-EU Trade Negotiations: A Daunting Mission,” Peterson Institute for International Economics, January 18, 2019

COMPANY VISITS: TBD

MATERIALS CAN BE FOUND: Blackboard Course Site