

CONTEMPORARY INTERNATIONAL BUSINESS IN THE ASIA-PACIFIC REGION

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The increasing dominance of the Asia–Pacific region as a source of international business growth has created a dynamic and complex business environment. For this reason, a sound understanding of regional economies, communities and operational challenges is critical for any international business manager working in a global context.

Presented in a semester-friendly thirteen chapters, with an emphasis on ‘doing business in Asia’, *Contemporary International Business in the Asia–Pacific Region* addresses topics that are driving international business today. Providing content and research that is accessible to local and international students, this text introduces core business concepts and comprehensively covers a range of key areas, including trade and economic development, dimensions of culture, business planning and strategy development, research and marketing, and employee development in cross-cultural contexts.

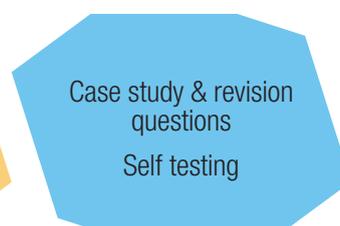
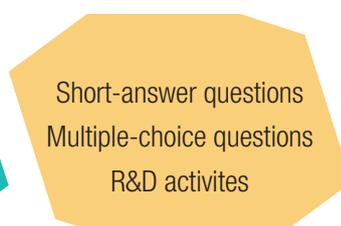
Key issues are brought to life by the opening vignettes, as well as numerous regional spotlights and IB masterclass case studies, all of which illustrate the opportunities for and challenges facing Australasian organisations operating across a range of industries. The inclusion of an IB skill builder toolbox supports the development of graduate skills in business report writing and oral communication.

Written by authors with industry experience and academic expertise, *Contemporary International Business in the Asia–Pacific Region* is an essential resource for students of business and management.

Key Features

- Emphasis on the modern topic of ‘Doing Business in Asia’
- Succinct semester-friendly 13 chapters
- Content and research that is accessible to local and international students
- Authors with industry and academic expertise in dedicated subject matter within international business
- Extensive pedagogy has been designed to increase student engagement and assist learning

The printed text comes with an enhanced eBook at no extra cost, with features including:



CASE STUDIES

Spotlight Case Studies

Short case studies with accompanying questions

- 1 Asian century: engaging our neighbours and developing a capable workforce
Inside Asia: changing times
Outlook for South-East Asia, China and India
- 2 Dr. Reddy's international expansion
The growth of Beca in the Asia-Pacific.
Importance of home-country advantages and the internationalisation of Fonterra in the Asia-Pacific
- 3 Asian Development Bank
What is Enabling Economic Growth?
ASEAN economic integration: challenges and opportunities.
- 4 Samsung's Organisational Culture
Nestle's Ethical Issues
Environmental Disasters: Bhopal, Ok Tedi, SE Asian Haze
- 5 Who owns Australian Agriculture
H&M's Operation Experience in Asia
Tesla's Operations in China
- 6 Breaking into China's Movie Market
Uber Pulls Out of China
The Mining of Mica

Samsung's organisational culture

Samsung Electronics, the world's largest maker of smartphones and memory chips, recently announced that it aims to reform their internal culture moving away from a top-down culture towards a working environment with open dialogue and fostering innovation. The stimulus for this change has come from a decline in smartphone profits and a lack of innovative new businesses to drive growth. In addition, the reputation of Samsung has been damaged by the defective Galaxy Note 7 smartphone disaster where these devices overheated or exploded and the washing machine recall where lids flew off.

Mercer consultant Olivier Meier (2016), provides the following assessment of the role of assignees:

Locals and Asian outbound assignees are playing an increasingly important role in the mobile workforce, especially as the greatest planned increase of assignments lie in those from and within Asia. A talent shortage means that competition is fierce for the best and brightest, and there is a premium on international experience and managerial skills.

Key career and reward drivers for Asian employees vary according to location. In performance-driven China, for instance, employees expect prompt salary and career progression and aren't afraid to leave if disappointed. A more traditional structure still prevails in Japan and Korea: age, service, and level drive career structure and pay, but job grades are strictly defined and very much in the gift of the employer. Singapore plots a middling course: it is partly westernised in its philosophy – compensation structures are comparable to the US and Europe, and employees take responsibility for their career progression – but it also respects the local need for hierarchy. Competition for talent is fierce in India, where variable pay plays a critical role in managing performance and cost.



Sources: Lee (2016); Kovach, (2016)

QUESTIONS

1. Discuss the initiatives that Samsung is putting in place to improve culture. How successful do you think they will be, provide evidence to support your answer.
2. Apple's organizational culture states that it facilitates rapid innovation and a culture of secrecy to protect its intellectual property. Compare this to the culture of Samsung. What cultural issues arise as a result of the company's home country?

SPOTLIGHT 4.3

Environmental Disasters

There have been a number of environmental disasters caused by corporate irresponsibility. These have had a disastrous effect on the local communities that will take many generations to overcome. The cases noted here have in common a multinational company operating in a developing area of Asia.

Bhopal, India, 1984

An accident at the Union Carbide India Ltd pesticide plant released a highly toxic gas, methyl isocyanate, and other poisonous gases. More than 600 000 people were exposed to the gas cloud with the government reporting an estimated 15 000 deaths over the years. The toxic material is still present with many of those exposed to the gas in 1984 giving birth to physically and mentally disabled children.

Ok Tedi mine waste, 1984–2013

Approximately 2 billion tonnes of untreated mine waste was discharged into the Ok Tedi from the Ok Tedi open-pit mine due to the collapse of the tailings dam system in 1984 and a lack of a suitable waste retention facility. The mine waste was deposited along the bank of the Ok Tedi and Fly River destroying downstream villages, agriculture and fishing as well as killing large parcels of forest. Experts have predicted that it will take 300 years to clean up the toxic contamination.



Southeast Asian Haze, 2016

A smog outbreak caused by fires was attributed to illegal slash and burn practices by companies and individuals to remove vegetation. The land clearing, to make way for palm oil and pulpwood plantations, is on carbon-rich peat land. The smog has reportedly caused 90 000 deaths in Indonesia, 6500 deaths in Malaysia and 2200 deaths in Singapore.

QUESTIONS

1. Do the corporations involved in these environmental disasters have a responsibility to ensure their business practices don't cause harm to society and the environment?
2. Have these environmental disasters affected the nature and importance of CSR reporting? In what ways?

- 7 The Asia-Pacific drives global retail growth
Rise of strategic alliances in Asia
The Global Hotel Alliance seeking growth in the East
- 8 Shipping Australian seafood to Asia: CMG Australia
Working in an international R&D team
Fresh produce innovation in export markets: challenges and opportunities
- 9 Britain's exit from the EU
Managing exchange rate risk
International taxation issues
- 10 A rising star from China: the Haier Group
International franchising expansion: Australian retailers venturing abroad
Measuring for success: how does Google Analytics work?
- 11 Factory Asia
Asia dominates global services offshoring
Fletcher Building: challenges in constructing global success
- 12 Expat: does Asia need Western expats or perma-pats?
Expatriate performance management: Nokia
Spotlight on locals and Asia-outbound assignees
- 13 International business meetings
Ecommerce mania: queue ... Beardbrand
Regional security: the fight for survival in Kiribati

Opening Vignettes

A short taster to the chapter with accompanying questions

- Today's Asia: The growth driver and champion
- Comprehensive and Progressive Agreement for Trans-Pacific Partnership – an overview
- The Asia–Pacific: an economic update
- IKEA in China
- Does the US rely too much on China for finance?
- China's domination of solar power
- Is Virgin Australia Australian?
- International business research: It's about understanding demand
- The Bitcoin rollercoaster ride
- The rise of social marketing: The Asian Development Bank
- The downfall of the Australian car market
- The development of unique organisational cultures in multi-cultural management teams
- The employee is the new consumer



Example of how informative videos will appear in the enhanced eBook

Example of how questions will appear in the enhanced eBook

IB Masterclass

Large case studies with accompanying questions

- The Honda corporation: international business strategy
- Starbucks an unlikely failure: challenges of operating in the Asia–Pacific region
- The cost of regional integration – when it all goes wrong: the Australian Wheat Board scandal
- Sweatshop wars: Nike and its opponents in the 1990s
- Globalisation of finance: AIG Corporation
- Gillette in India
- Fonterra's affairs in China
- Vietnam exports to mainland China and Hong Kong
- Avon: dancing with volatile exchange rates
- The dual-system model: Dell's distribution strategy in China
- Defining the roles of manufacturing plants at Flex
- Managing expatriates at Louis Vuitton Moët Hennessey

INSTRUCTOR'S RESOURCES

Resources designed to assist instructors in teaching the course

- Guided answers for the IB Masterclass case studies
- Stretch cases with questions and answers
- PowerPoint slides
- 78 interactive questions to load into lecturer LMS; question types include MCQs, Wordclouds, ranking alternatives, short-answer and matching.

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