

emeronT2

kaEstyI GBCaCvkmpGnpCati ngkaRbKkG

Understanding International Business & Management

enAkjemeront2enH eybngskSEstyI GBCaCvkmpGnpCati ngTSSnTanmYchMGM
karKbKkGCaCvkmpGnpCatdayepptSManeTAnnakarmYchMEdI eFCaymankMhénGnpCati bnt
ykmj

I-GBCaCvkmpGnpCat?

CaskmpPabénGacvkmpTajLayEdI RbRbtpTAggRBMénRbetSmYeTARbetSmYeTot.

International Business-Any sort of business activity that crosses national boundaries.

The economic system of exchanging good and services, conducted between individuals and businesses in multiple countries.

II-GCakarKbKkGnpCat?

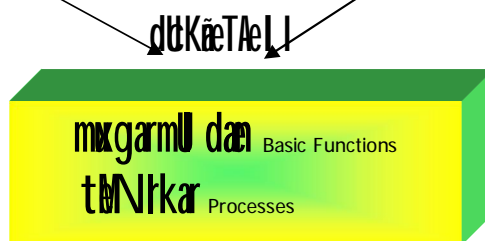
CatMNIkarénkarebR)asTSSnTanénkarKbKkgnigbeckeTSKbKkgeTaeI mCAdanGnpCatb
chMCatisasn.

béacniyaymügetotfaCaskmpPabEdI TakTgeTang]SahkmpigBaNCkmpbRbtpnAkj
kM GnpCati.

“International Management- Process of applying management concepts and techniques in a multinational environment. Or refer to activities relating to industry and commerce performed on an international level.”

III-etkareFmgarKbKkGCaCvkmpI TpsrküRskxskæTAngTpsrGnpCatmanI kN³xskäyag dtentp?

GacvkmpnTpsrküRsk (Local Market) GacvkmpnTpsrGnpCati(Foreign Market)



Pabxskä

mCAdanEdI GacvkmpnatsIttenA.

Environment within which these functions are performed and processes are carried out.

IV- **Why Internationalization? -The Trends**

GnpCatitbnykmp ninkarenGnpCatitbnykmp
xagerkamCaninkarmlycMEdI bgaj GBCnpCatitbnykmp

-karekheLgenkarBoktRbECgyagxajkakaj] sSahkmkgkM GnpCatkBg cabepmCa
beNp²

-manninkarmlycMheqatArkskI PaibnykmpungTmakTmgCaGnpvagRkmhT Tpsar nig
RbETskBggekheLg

-ekamKlabGgkaGnpCatimlycMdtCa IMF WB WTO bNpl RbETsmlycMnkBg cab;
epndkr)ajBaNCkmGnpCatiedm,CMj karvneyaKBbreTS

-mankMhGgPaB nigrcnasmkKbKgrdjal GnpCat)anekiteLgedm,eFkarKbKgeTA
el FnFannighanPyrbxsxü el TpsarekARbETsCaech

-Klab nigr)ajBnkymlycMhel BaNCkmGnpCatkBgRtU)anI bblatedayRbETsmly
cMhedm,GnutBaNCkmpsrI

-man»kasfCaechkBggekiteLgsmbyneyaKTubreTS nigshRkenAkübnpl RbETs
mlycMhedm,eGayBkeKGac)anRbTbtkgRbETsenatedayphl ;

-man MNCs CaechcabepmBgkRbTbtkaedaySRmbytSarsTpsarbsxüeTAtam
Tpsarkütdm;

-enAbonqamHmanGavkmplycMnkBgbracyznigmycMheTotkBgkMNRtMngtanry³
ytSarsCaechdtCa Merger and Acquisition TatenHCaytSarsfEdI BmabmankgkarBokt
RbECg

-eTaeQnakT MNCs manninkal begniskmpPaBrbsxüeTAkajTpsarEdI xüyl faman
skpnbI EfmetotdtCaRbETskBgGPiDAn nig RbETsmanTpsarFM (China, India...)

-dtbenRkmhTEdI kBgGnutJanEbbbraN nigmankaB)akkgkarBoktRbECgCamly
MNCs EdI naGayRkmhTdt²mycMhRbQrmnigkarbitTir nig Gac Merge CamlyRkmhTFM
eTavij .

TatenHCannakI mycMEdI eygKYyl dgkgkarGnutp International Business .

Internationalization-why?

ehTPI EdI eFGayRkmhTnGnpCatiQaneCgeTATpsarGnpCati.

- tMkarrkcMh Desire for continued growth
- KpnBaaTij BbreTS Unsolicited Foreign order
- tMkarenAküRskticttceI Domestic market saturation

- **skhBI kŋkarTaj ykRbeyaCn_BbecRvItia** Potential to exploit new technological advantage

Internationalization

ktb2yagedm, Internationalization:

-Pull Factors (Proactive Reasons)

KWbMAeTAel ktbCMj EdI TpsrCaCkeFI GayTakTaj karvneyaK

-Push Factors (Reactive Reasons)

KWbMAeTAel ktbCMj EdI tmeGayvneyaKTuRtUetcU eTATpsrenatTajbgM

Pull Factors

-Relative Profitability

(ktbteghR)akcMNj)

-Growth Prospects

(ktb»kasBRgkTpsr)

Push Factors

-Domestic market constraints

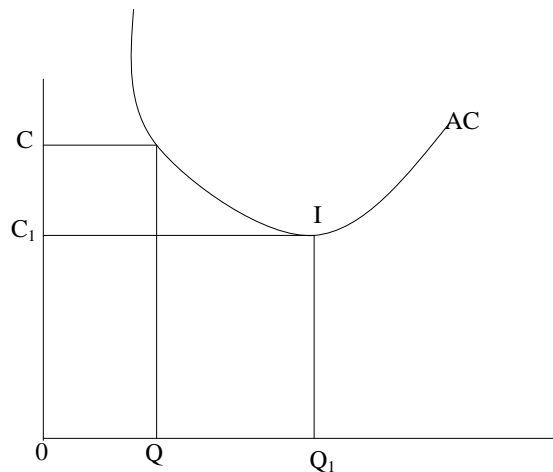
(ktbkarI Mkel TpsrkŋRsk)

-Competition

(ktbRoktRofCg)

-Relative Profitability **(ktbteghR)akcMNj)**

SMAeTAel I Economics of Scale **mannyfaChkal brimaNénkarI ittc eFI Gayefodm**
pl itxs;Etebeygpl iteChel stMkaTpsrkŋRskkBBacTTV)anR)akcMNj xsfdr. tMNaH
RsayRtUnatj eTATpsrbreTs.



-Growth Opportunities **(ktb»kasBRgkTpsr)**

MNCs **mancINabGampNkanftxajCbaRbetSkBgGPiDAnmychM edaysarkMhén**
chM rbsRbCaCn (Income) nig chM RbCaCn (Large population) kŋRskenaH.
TajGsenHCa»kasrbsRkmhnbreTs. karctetAkanTpsrGnpCatKWmTaj ykRbeyaCn_nig
»kasBRbetSdøT.

-Domestic market constraints

(ktbkarI Mkel TpsrkŋRsk)

ktakar l Mkel TpsarkgRsk CabPBeFCayRkmhGnpCatmYcMhbgMitBrgkTpsr
rbsxüetAkanbreTs.

]TahrNdüCaRkmhNestele manTpsarkgRsk (Switzerland) Et2PaKrybaNÄH.
Rkmh Philips (Holland) mankar l ksröEt 8 PaKrybaNÄHkRsk EtTpSrsManrbs;
Philips manenAekRbeTsesbTUajBPBel ak.
Rkmh Sony manTpsarkgRsk (Japan) Et8PaKrybaNÄH 92 PaKryeTotstienA Global
market.

-Competition (ktRokYRbECg)

To penetrate the home market of the potential foreign competitor so as to diminish its
competitive strength & to protect domestic market share .

V- Dimensions éGnpCatitönykmp Dimensions of Internationalization

-Inward-looking (\TBI é Global Competitors eTÄel RkmhökRsk)

1. Importing/sourcing
2. Acting as Licensee from a foreign company
3. Establishing Joint Venture inside the home country with foreign companies
4. Managing as a wholly owned subsidiary of a foreign firm.

-Outward-looking (FmCaténkarRokYRbECgkTpsrbreTs)

1. Exporting
2. Acting as Licensor to a foreign company
3. Establishing Joint Venture outside the home country with foreign companies
4. Establishing wholly owned business outside the home country.

VI-Managerial Issues on Production and Sourcing

ktRkbRkgeTÄel pl itkmpng RbPB pl itpl xagerkamCacMcmYcMhEd l GkRkbRkgGnpCati
KYBcarNakgkar RkbRkgeTÄel pl itkmpng RbPBpl itpl ³

- § etRkmhüKYpApgeTÄkanTpSarekal edABkEngNæTA?
- § etmanvisal PaBGü l RkmhüKYcabeppp l itedayxüÉg?
- § etkü l kN³EbbNæ l RkmhüKYTij Glnig Tij BkEngNa?
- § RosnebCMsRkmhüRtUersedayebkpl itkmpnATenaEtmggetRkmhüTTV sMa³BNa?
- § etRkmhüRtUegliteragcRkmY bærch? dac²BKä byagNa?
- § etbecRtUbePTyagNæ l RkmhüKYeb?
- § etTkEngNaCakEngEd l bpt?
- § etTkEngNæ l Epk R&D KYekileLg? kü Host or Foreign Country?

SNrMk

1-kMntBakü International business.

2-Discuss the forces driving companies towards International business.