

The Global Business Environment

Guided Notes

This tool is designed to help you actively engage with course material before, during, and after class. They're not about taking perfect notes. They help you process information and remember so that you can later apply your knowledge and build on it.

Before Class: Use the 4R Method

1. **Read:** Select a manageable section of your assigned reading. Depending on your personal preference, this could be one page, one set of Learn It pages, or one topic within the Study Plan.
2. **Recall:** Without referring to the reading, write key terms and concepts in your own words. It's ok to leave blank spaces.
3. **Review:** Return to your reading, compare your notes, and add any missing information.
4. **Repeat:** Continue the process for each subsequent section until you have read, digested, and taken notes on all your assigned reading.

During Class: Bring your notes to every class session

- Add insights from lectures and discussions
- Note connections to business examples
- Ask questions about concepts that need clarification

After Class: Revisit and Reflect

- Spend a few minutes reviewing your notes after class while it's still fresh.
 - Summarize main takeaways in your own words to strengthen your understanding.
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Global Trade

Key Concept:

Define globalization in your own words: _____

- Global business is: _____
- Globalization involves: _____

Why Nations Trade

Define:

- Absolute advantage: _____
- Comparative advantage: _____

Analysis Exercise: Consider two countries - Country A and Country B:

- Country A can produce: 10 cars or 30 computers
- Country B can produce: 8 cars or 20 computers

Which country has the comparative advantage in producing cars? Explain your reasoning:

Global Markets are attractive because they provide businesses with:

- Access to _____
- Innovation and _____
- Risk _____

Measuring Global Trade

- Balance of trade is: _____
- Trade surplus occurs when: _____

- Trade deficit occurs when: _____

Think About It: How has globalization affected your daily life? List 3 examples.

1. _____
2. _____
3. _____

Remaining questions:

Participating in the Global Marketplace

Strategies for Global Market Entry

Strategy	Definition	Advantages	Disadvantages
Exporting			
Outsourcing			
Offshoring			
Licensing			
Franchising			
Foreign direct investment			
Joint venture			
Strategic Alliance			

Think About It: Imagine you run a small but successful chain of pizza restaurants in the United States. You want to expand into the global market, but you have limited financial resources.

1. Which market entry strategy would you choose? _____
2. Explain why, using what you learned about the advantages and disadvantages of different strategies: _____

3. What is the main risk you'd need to prepare for with your chosen strategy?

Remaining questions:

Factors Affecting Global Business

Sociocultural Differences

List and explain four key cultural factors that affect global business:

1. _____
2. _____
3. _____
4. _____

Legal Differences

List four key types of regulations that affect global business:

1. _____

2. _____
3. _____
4. _____

Why do companies need to understand local laws?

Physical and Environmental Factors

List three infrastructure challenges that might affect global business:

1. _____
2. _____
3. _____

List three environmental considerations that might affect global business:

1. _____
2. _____
3. _____

Trade Barriers

Type of Barrier	Definition	Example
Tariffs		
Quotas		
Embargoes		
Exchange controls		

Think About It: When McDonald's sells hamburgers in India, they don't use beef because many people there don't eat beef for religious reasons. This is an example of how cultural differences affect global business. Can you think of TWO other ways that cultural differences might affect how a business operates in another country?

1. _____

2. _____

Remaining questions:

International Cooperation

International Organizations

- World Trade Organization (WTO):

- Primary purpose: _____

- Main activities: _____

- World Bank:

- Primary purpose: _____

- Main activities: _____

- International Monetary Fund (IMF):

- Primary purpose: _____

- Main activities: _____

Think About It: The World Bank, WTO, and IMF each serve different purposes in global trade. If a country is having trouble selling its products internationally because of high tariffs from other countries, which organization should they turn to for help and why?

Remaining questions:

Career Connection: Communication

Types of Business Communication

Type	Examples/Formats	When to Use
Written		
Verbal		

Professional Communication Tips

List three key considerations for each situation:

For emails:

1. _____
2. _____
3. _____

For video conferences:

1. _____
2. _____
3. _____

Think About It: Why might the same message need to be communicated differently in different business contexts? Give an example.

Remaining questions:

Key Takeaways

Summarize the three most important things you learned in this module:

- 1. _____

- 2. _____

- 3. _____
