



2012
ANNUAL
REPORT



A LETTER FROM THE DIRECTORS

OUR MISSION is to provide superior education, research, and assistance to businesses, public policy makers, academics, and students on international business and trade.

IT IS TIME AGAIN TO REFLECT back on another successful year. As always, we have been busy throughout the year developing and offering a multitude of highly successful programs. Our work with the local business

community has continued to expand, with more programming from the Global Business Club of Mid-Michigan in 2012 than any previous year. These workshops, which range in topic from “How to Investigate and Choose Overseas Markets and Create a Market Entry Strategy” to “Doing Business in Brazil,” continue to be exceedingly popular. This programming is directly connected to our continued role as a statewide provider of training and technology services associated with a \$1.5 million federal award to the State of Michigan under the U.S. Small Business Administration (SBA) State Trade Export Pilot (STEP) program.



COVER
SARAH HODGES
ALUMNUS
LA DOLCE VITA
PORTOFINO, ITALY

INSIDE COVER
GABRIEL FERRER
ALUMNUS
MONASTERY IN THE CLOUDS
METEORA, GREECE

Reaching Out to Educational Institutions	3
globalEDGE Business Review	4
S.P. Jain Students Join MSU-CIBER	6
Global Business Club of Mid-Michigan	7
Lansing Economic Club	9
Dean Lenway Elected to AACSB Board	10
Lodging Market Potential Index	11
Academy of International Business	13
An Interview with Tomas Hult	14
Community Colleges More Globally Focused	16
An Interview with Kirt Butler	18
2012 Visiting Scholars, Scholarship and Grant Recipients	20
International Business Center Organizational Structure	22
International Business Center Staff	23
MSU-CIBER Advisory Board	24
About the Featured Photography	inside back cover

In June, the Academy of International Business annual meeting was again a great success. The 2012 Program Chair, Susan Feinberg (Temple University), organized a very exciting program around the theme “Rethinking the Roles of Business, Government and NGOs in the Global Economy.” Over 1,000 members attended the meeting, which was held in Washington, DC.

continued on next page

FROM PAGE ONE...

As in past years, globalEDGE .msu.edu remains a major priority for the Center. This outstanding online learning tool continues to be the number one source on the internet for “international business resources” (Google, December 2012). The new online learning certificate that the Eli Broad College of Business has developed in conjunction with Bisk Education will feature a session on globalEDGE, further expanding the reach of this valuable tool. If you have not already done so, we hope you will connect with us via Facebook, Twitter, LinkedIn, one of our RSS feeds, or simply by subscribing to receive the latest globalEDGE newsletter or globalEDGE Business Review in your inbox.

On the research front, the Center published the latest version of the Benchmarking Study on International Business Education at Community Colleges, which shows a remarkable increase in the overall International Business Education Index (IBEX) scores

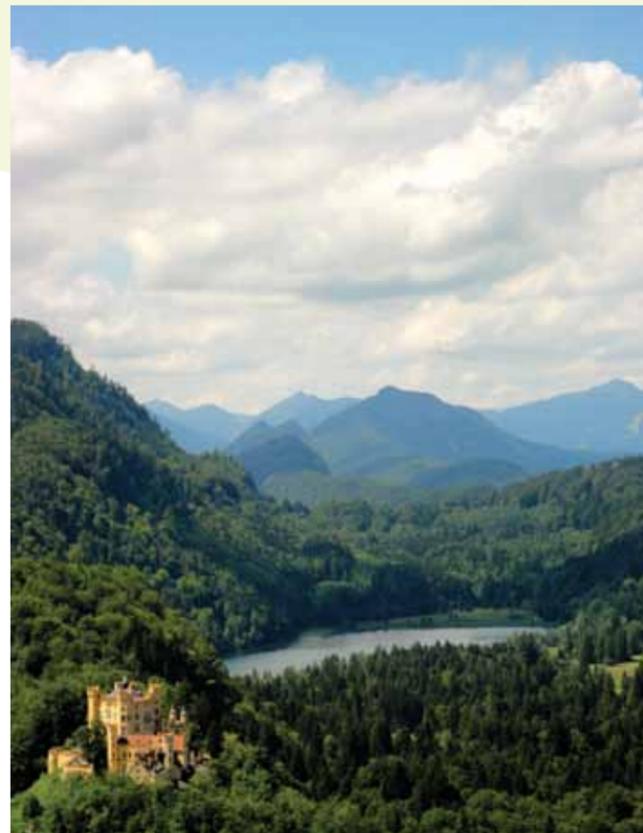
at the nation’s community colleges compared to previous years. This increase is an encouraging sign that international business education at the nation’s community colleges – a long-time Center priority – is valued and important in an effort to increase the international competitiveness of the country.

For the college, too, 2012 was a very good year. A number of rankings continue to solidify the Eli Broad College of Business’s place as one of the top schools for international business education and research in the United States. For example, *U.S. News & World Report* ranked the undergraduate international business program 20th in 2012, up from 24th in 2011. Overall, the Broad College also retained its spot among the top 25 undergraduate business programs in the country, ranking 24th – and 14th among public institutions (unchanged from 2011). For the second year in a row, the magazine ranked MSU’s supply

chain program for undergraduate students 1st in the nation, ahead of the program at the Massachusetts Institute of Technology.

As the final days of 2012 slip away, we look to 2013 with a great sense of optimism. The New Year will undoubtedly provide further opportunities to expand our research, training, outreach, and education efforts.

Sincerely,
 Tomas Hult, DIRECTOR
 Irem Kiyak, ASSOCIATE DIRECTOR
 Sarah Singer, ASSISTANT DIRECTOR



EDUCATIONAL OUTREACH

REACHING OUT TO EDUCATIONAL INSTITUTIONS

KATE MENGE
 STUDENT
 WHERE'S LUDWIG?
 GERMANY

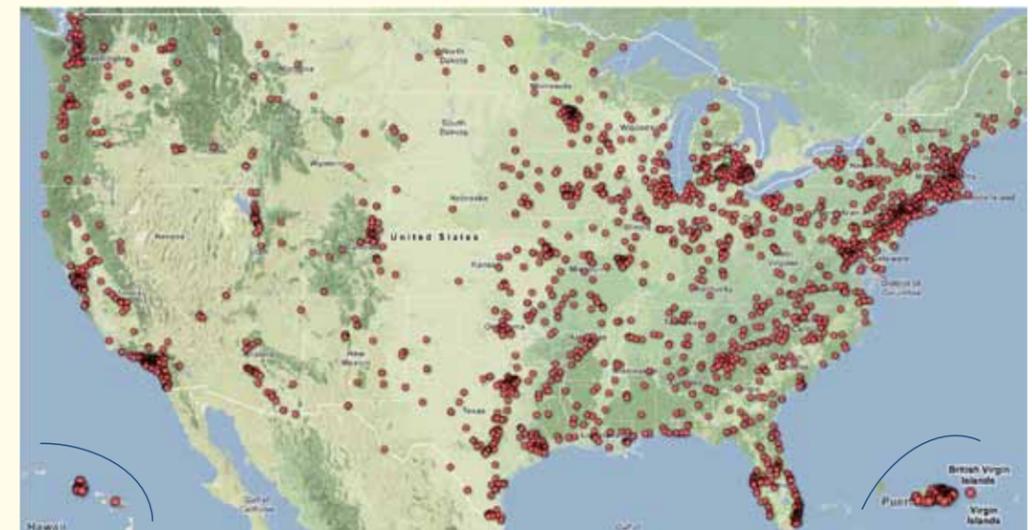
MSU IBC CONTINUED TO EXPAND its educational outreach programs in 2012. Supported by a contract with the Michigan Economic Development Corporation’s Export Office, our staff traveled around the state and doubled training programs in the mid-Michigan area. We presented a variety of region- and country-specific “Doing Business In” workshops to support Michigan companies’ various trade missions. Other trainings included new market entry strategies and market selection techniques. In conjunction with the Foster Swift law firm and the Pontiac U.S. Export Assistance Center, we were able to

offer a training program on international partner contracts. With the state’s launch of its new Pure Michigan Export Now program (a web-based B2C selling portal in China), our Director completed a series of five presentations to inform Michigan businesses about Chinese consumer behavior. The Center also collaborated with Jim Foley, author and director of the NASBITE Certified Global Business Professional (CGBP) credential, to offer a three-day CGBP training for trade staff and economic development professionals from around the state. Currently, MSU IBC employs two CGBPs as well as a member of the West

Michigan District Export Council, credentials that highlight the Center’s depth of trade experience and expertise.

In addition, our team of undergraduate and graduate students, faculty, and staff was able to provide over 30 new customized research projects for Michigan businesses interested in beginning to export or in increasing international engagement. The Michigan Export Growth Program (MEGP), begun in 2009, has helped over 100 Michigan companies to gain the knowledge needed to create export success.

SINCE 2006, MSU INTERNATIONAL BUSINESS CENTER has been served 12,137 companies and 176 educational institutions. Red dots indicate cities with companies and educational institutions served.



globalEDGE Business Review

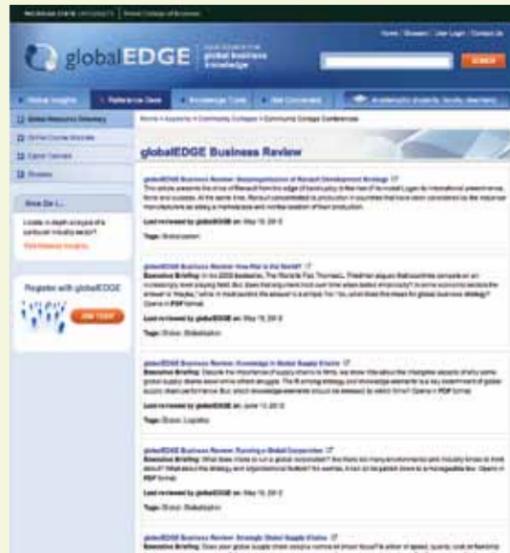
Connect with globalEDGE

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-  Like us
-  Join us
-  Subscribe to our blog

globalEDGE.MSU.EDU CONTINUES TO BE AN OUTSTANDING online learning tool offering thousands of international business resources as well as features such as interactive rankings and the ever-popular online course modules. Following the major revision last year, we have continued to develop and roll out additional features, such as podcasts of selected online course modules and an expansion of the exporting tutorials.

This past year, the globalEDGE team has worked particularly to enhance the globalEDGE Business Review (gBR). The globalEDGE Business Review complements the site's content by publishing cutting-edge articles

dealing with a variety of international business issues facing managers in different world areas, industries, and management functions. And gBR takes advantage of the reach and impact of the globalEDGE site; for example, over nearly 28,000 individuals subscribe to the review. The following is a sample of the articles that were published in the 2012 volume of the gBR.



The Lodging Market Potential Index (L-MPI®) Ranking of Major Lodging Markets in the United States

by A.J. Singh, Raymond S. Schmidgall, and Tunga Kiyak
(Volume 6, Number 1, pp. 1-5, 2012)

EXECUTIVE BRIEFING: The Lodging Market Potential Index (L-MPI®) as a systematic and formal analysis was developed as a joint project between The School of Hospitality Business, MSUCIBER, and globalEDGE to identify aggregate market potential and ranking for major lodging markets in the USA in 2009.

Faculty researchers from The School of Hospitality Business at Michigan State University presented the index at the Midwest Lodging Investors Summit (MLIS) in Chicago, in July 2011. This article presents the complete index (L-MPI®), which covers the 25 largest market areas (as tracked by Smith Travel Research) that show the long term potential of lodging investments.



Tamper-Evident Packaging in Brand Protection

by John Spink
(Volume 6, Number 2, pp. 1-3, 2012)

EXECUTIVE BRIEFING: Tamper-evident (TE) and tamper-resistant (TR) packaging provide an opportunity for incremental actions which can provide a means to combat counterfeit products, product diversion, shoplifting, cargo theft, return and warranty fraud, and unauthorized refills. This backgrounder provides information on TE and TR packaging including their regulatory definitions, the current and likely future extent of their use, and their applications for brand protection.

Product Counterfeiting in Michigan and the Expectations and Priorities for State and Local Law Enforcement: assessing the awareness of and response to the problem

by John Spink and Justin Heinonen
(Volume 6, Number 3, pp. 1-2, 2012)

EXECUTIVE BRIEFING: The crime of product counterfeiting is growing in scope, scale, and threat. These threats impact Michigan residents, as they do others throughout the U.S. and the world. This Backgrounder presents results of a survey that questioned residents on their purchases of counterfeit products, their opinions on priorities for law enforcement, and their use of the Internet to purchase medicines.

Chinese Anti-Counterfeit Efforts in China

by John Spink and Gefan Li
(Volume 6, Number 4, pp. 1-3, 2012)

EXECUTIVE BRIEFING: Collaboration between Chinese and American scientists for research, teaching, and outreach on counterfeit product risk can enable more effective detection, and more important, deterrence.

ABOVE
ROBERT GLEW
ALUMNUS
BUDDIST STUDY TIME
MANDALAY, MYANMAR

S.P. JAIN STUDENTS JOIN MSU-CIBER TO ASSIST MICHIGAN BUSINESSES

AS PART OF THE BROAD

College of Business's partnership with S.P. Jain Institute of Management & Research in Mumbai, India, MSU-CIBER was pleased to welcome five

S.P. Jain students to our team this fall. The students arrived in East Lansing in late August as part of the student-exchange program and spent the semester pursuing the MBA program and interning in the CIBER office. Primarily, these students participated as part of the Michigan Export Growth Program, the

initiative begun by CIBER several years ago with a goal of helping Michigan-based businesses expand in the international market. The knowledge and expertise of the S.P. Jain students has been particularly valuable to those businesses that are interested in gaining a foothold in India.

"Our partnership with S.P. Jain in India is a fantastic opportunity for students from MSU to interact with highly qualified students from Mumbai in a collaborative effort to help Michigan companies become more competitive in the Indian marketplace."

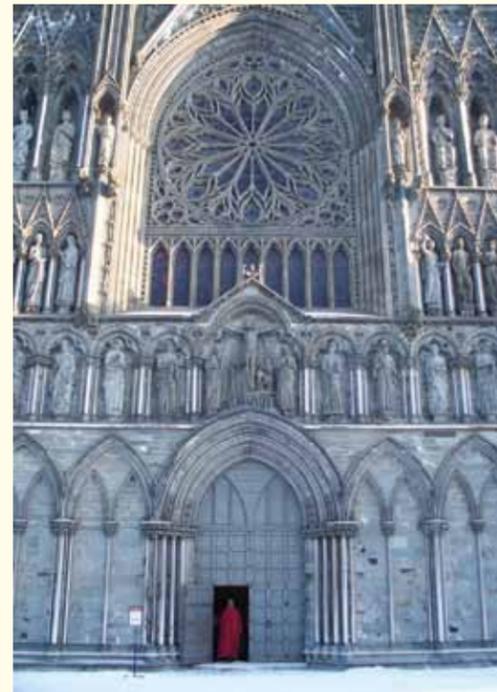
TOMAS HULT
MSU IBC DIRECTOR

"Our partnership with S.P. Jain in India is a fantastic opportunity for students from MSU to interact with highly qualified students from Mumbai in a collaborative effort to help

Michigan companies become more competitive in the Indian marketplace," said Tomas Hult, Eli Broad Professor of International Business. Hult also said that the partnership with S.P. Jain is unique in that the student collaboration is just one layer of multilevel partnership. It also includes unique opportunities in faculty research, executive training, and exploration of different business models for teaching and education that will help both institutions thrive in the global education marketplace.



GLOBAL BUSINESS CLUB OF MID-MICHIGAN



THE GLOBAL BUSINESS CLUB OF MID-MICHIGAN provides a forum for networking and sharing ideas about how to make U.S. companies, specifically local businesses, more competitive in the global market. Workshop and luncheon presentations broadly focus on exporting and international trade opportunities for local companies. The following events were organized and/or sponsored by the Global Business Club in 2012.

JANUARY 25, 2012

"Connect Your Business to MSU's Global Talent: Practical Steps and a World of Benefit"

This program focused on how to infuse a company with young, energetic, international talent and addressed the language and cultural skills and the experience necessary to help explore global markets. Athena Trentin, Director of the Global Talent Retention Initiative of Michigan, highlighted the importance of immigration to the state's economy. Ryan Lamb, Attorney at Foster, Swift, Collins & Smith, addresses employer options when considering short- and long-term international hires.

FEBRUARY 9, 2012

"Explore Agricultural Exports: A World of Opportunity"

This seminar provided information and resources to expand a customer base by establishing or intensifying global presence. Seasoned experts helped local businesses address unique concerns – from financing and government regulations to shipping products and getting paid.

MARCH 22, 2012

"Expanding Internationally in Times of Risk and Uncertainty"

This workshop addressed solutions to dealing with all types of risk encountered by companies that are doing business internationally or are interested in starting. Professionals in the fields of trade finance, foreign exchange, private insurance, and business law shared their experiences, and University Distinguished Professor of Economics Max Kreinin delivered the keynote address. Professor Kreinin, who is a consultant to the Council on Foreign Relations and several federal and state agencies, spoke on the current European economic situation and its implications for international business.

STEPHEN NAUMANN

ALUMNUS
NIDAROS ER APEN
TRONDHEIM, NORWAY

**GLOBAL BUSINESS CLUB
OF MID-MICHIGAN SPONSORS**

Foster, Swift, Collins & Smith, P.C.
Lansing Regional Chamber of Commerce
The Greater Lansing Business Monthly
MSU Center for Advanced Study of
International Development (CASID) and
the Center for Gender in Global Context
Lansing Community College

For more information

<http://gbclub.msu.edu>

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Stacey Wilcox,
TechSmith

Jamie Zmitko-Somers,
Michigan Department
of Agriculture
and Rural Development



MAY 8, 2012

“World Trade Week West Michigan”

The World Week Business Conference had a lot to offer to both novice and experienced exporters. The conference had experts and specialists who spoke about strategies, opportunities, and resources available to help businesses increase international sales.

MAY 9, 2012

“Automated Export Compliance Seminar and Workshop”

This seminar included clarifications to the Foreign Trade Regulations including ITAR and EAR, an overview of AES, commodity classification, hands-on AESpc Link training, and more.

MAY 15, 2012

“Port Lansing Global Logistics Conference”

This conference offered information on localized global logistics, optimizing global supply chain, and financing international efforts. Also included was how to diversify a customer base, providing longer term stability and support for higher paying jobs. Attendees also gained insights from successful business leaders that have expanded into foreign markets.

MAY 23, 2012

“Incoterms 2010: The ICC Rules Explained”

This seminar provided information and materials needed to use Incoterms correctly, thereby better determining international pricing, costs, and risks and to the 2010 revision of the International Chamber of Commerce Incoterms and is author of several books on international trade.

MAY 24, 2012

“The World Is Your Market: Export 101”

This seminar, presented with help from the Small Business Administration (SBA) and the U.S. Census Bureau/Foreign Trade Division, addressed how to utilize census information to do research and make informed decisions on entering new markets, and it also taught attendees how to use SBA’s online Export Business Planner. Mark Kinsler, MEDC VP for International Business and Attraction, provided the luncheon keynote address, explaining Michigan’s international strategy to become more diversified internationally and create jobs.

MAY 30, 2012

“How to Investigate and Choose Overseas Markets and Create a Market Entry Strategy”

Dr. Tomas Hult, Director of the International Business Center, and Jade Sims, International Trade Specialist, led two workshops that gave insight on how to use online tools available through MSU IBC and how to create a personal market selection tool. The sessions also explored the costs and benefits of different modes of international market entry.



VILLAGE MORNING DIGING, CHINA

SEPTEMBER 7, 2012

“The Importance of Continuing Education in International Trade – The CGBP Credential”

Jim Foley, author of *The Global Entrepreneur* and past-president of NASBITE International, delivered the keynote address at this workshop, which focused on the growing importance and value of the Certified Global Business Professional (CGBP) Credential.

OCTOBER 10, 2012

“Doing Business in Brazil”

This workshop focused on offering area businesses an understanding of the opportunities, challenges, and nuances of doing business in Brazil. Luiz Eugênio Porto Severo de Costa Bichara, of the Barata & Costa Law Firm, delivered the keynote address.

NOVEMBER 16, 2012

“8th Greater China Supply Chain Forum”

This day-long workshop was co-sponsored with the Broad China Business Society. This event regularly attracts hundreds of businesspersons and students from around the state to discuss a variety of issues, including logistics, sustainability, and risk management.

LANSING ECONOMIC CLUB

THE MSU INTERNATIONAL BUSINESS CENTER

is one of eight major sponsors of the Lansing Economic Club. The Club meets eight times annually. For the full schedule of Economic Club events, please visit: lansingchamber.org.

DEAN LENWAY ELECTED TO AACSB BOARD



THE MEMBERSHIP OF THE ASSOCIATION to Advance Collegiate Schools of Business (AACSB) International recently elected Eli and Edythe L. Broad Dean Stefanie Lenway to its Board of Directors for a three-year term, which began on July 1, 2012.

“The AACSB brings leadership teams of business schools from around the world together to identify future challenges both for our students and for our institutions. Together we look for solutions, share insights, and help one another find new ways to continually improve our programs and identify new opportunities for our faculty,” Dean Lenway said. “The proliferation of business programs around the world has created new opportunities for U.S. business programs to learn from their counterparts in other countries. The AACSB provides a valuable forum that brings diverse perspectives on the future of business education together in one conversation.”

YASH KANKARIA
STUDENT
LONDON EYE
LONDON, ENGLAND



AACSB International aims to “advance quality management education worldwide through accreditation, thought leadership, and value-added services.” Lenway has previously contributed to AACSB through eNEWS-LINE Live (ENL) in a discussion of the future of undergraduate business education, and as member of the

“The proliferation of business programs around the world has created new opportunities for U.S. business programs to learn from their counterparts in other countries.”

STEFANIE LENWAY
DEAN, BROAD COLLEGE OF BUSINESS,
MICHIGAN STATE UNIVERSITY

AACSB Task Force on Globalization of Management Education, which produced a groundbreaking report – “The Globalization of Management Education: Changing International Structures, Adaptive Strategies, and the Impact on Institutions” – released by AACSB International in the spring of 2011.

Dean Lenway is a leading researcher and consultant on global technology management and corporate strategy. As dean of the Broad College, Lenway has launched strategic initiatives promoting the globalization of the college’s research and academic programs, as well as entrepreneurship and multicultural business programs. She is also working with faculty and staff to shape the college’s strategic direction by building on its legacy strengths.

LODGING MARKET POTENTIAL INDEX

AGAIN IN 2012, THE INTERNATIONAL Business Center collaborated with faculty from The School of Hospitality Business to produce the Lodging Marketing Potential Index (L-MPI). This index identifies market areas that show long-term potential for hotel investment and enables hotel developers and investors to conduct a relative comparison of the 25 largest lodging markets along several dimensions, for example size of economic base, economic stability, tourism trends, and hotel market performance.

In the 2012 ranking, San Francisco, New York City, and Oahu Island maintained their ranking as the top three ranked cities, respectively, based on market potential this year. Following the devastation of Hurricane Katrina, New Orleans struggled as a lodging market. However, as the city has recovered, its L-MPI ranking has also risen – from 17th in 2011 to 4th just one year later. This surge has been greatly influenced by a very strong growth in its economic base, tourism traffic, and market performance. Boston rounded out the top five; the primary drivers of this ranking were a strong base of consumer purchasing power and a high relative growth in hotel market performance for five years.



Overall Rank	City	Size of Economic Base	Growth of Economic Base	Economic Stability	Market Consumer Purchasing Power	Tourism
1	San Fran-San Mateo, CA	17	49	58		50
2	New York, NY	100	49	19		100
3	Oahu Island, HI	1	70	89		30
4	New Orleans, LA	2	93	22		17
5	Boston, MA	23	63	67		57
6	Miami-Hialeah, FL	24	41	40		28
7	Houston, TX	27	100	6		40
8	Nashville, TN	4	84	73		17
9	LA-Long Beach, CA	50	30	1		52
10	Denver, CO	10	60	85		25
11	Washington, DC-MD-VA	28	92	28		71
12	Seattle, WA	14	88	53		34
13	Chicago, IL	43	43	28		45
14	Philadelphia, PA-NJ	27	90	33		30
15	St. Louis, MO-IL	10	49	88		17
16	Atlanta, GA	23	39	37		24
17	San Diego, CA	12	56	69		20
18	Minn-St Paul, MN-WI	15	88	85		43
19	Dallas, TX	30	87	11		43
20	Tampa-St Pete, FL	9	35	75		2
21	Anaheim, CA	12	52	78		17
22	Orlando, FL	7	50	62		1
23	Norfolk-VA Beach, VA	4	51	100		18
24	Detroit, MI	16	1	43		6
25	Phoenix, AZ	16	38	43		20

The full index is available on globalEDGE. For a detailed review of all the cities in the index or a city that you are particularly interested in, please visit <http://globalede.msu.edu/LMPI>.

The International Business Center continues to produce the Market Potential Index (MPI) for Emerging Markets. This study ranks the market potential of those countries that have been identified as emerging markets by measuring various indicators across eight different dimensions. The most recent version of the MPI is available on globalEDGE at <http://globalede.msu.edu/mpl>.



ACADEMY OF INTERNATIONAL BUSINESS

THE ACADEMY OF INTERNATIONAL BUSINESS 2012 ANNUAL MEETING, attended by over 1,000 members, was another great success. The conference, which was held in Washington, DC, had the theme “Rethinking the Roles of Business, Government and NGOs in the Global Economy” and included more than 1,050 submissions across the 12 conference tracks, coming from 55 different countries. The 2012 Program Chair, Susan Feinberg from Temple University, put together a very exciting and professionally rewarding program with the help of her track chairs and her Program Assistants, Catherine Magelssen and Bruno Barreto de Góes. Host institutions George Washington University and University of Maryland were instrumental in ensuring the success of the conference as well.



Some of the highlights of the program included the opening plenary, organized around the conference theme and featuring several distinguished guests. The 2012 keynote speaker, Raymond Offenheiser, President of Oxfam America, received the President’s Award for his contributions to the area of international development. James Whitehurst, CEO of Red

Hat and winner of the 2012 AIB Fellows’ Executive of Year Award, Jorge Talavera, President of ESAN University and winner of the 2012 AIB Fellows’ Educator of the Year Award, and Ikujiro Nonaka, the 2012 AIB Fellows’ Eminent Scholar, were also honored in the opening session. On the final day of the conference, the 2012 JIBS Decade Award was presented to Keith D. Brouthers for his 2002 article, “Institutional, Cultural and Transaction Cost Influences on Entry Mode Choice and Performance”; the session included a retrospective of his work and commentaries on it.



LEFT
EMILY TREXLER
STUDENT
DANCING ON THE WATERS
OF LAKE BIWA
HIKONE, JAPAN

FAR RIGHT
LUKE PLONSKY
ALUMNUS
THE BLUE MOSQUE
ISTANBUL, TURKEY

As always, conference attendees enjoyed a myriad of networking events, especially the Gala Dinner, which was held at the National Building Museum, America’s leading cultural institution devoted to the history and impact of the built environment.

2013 ANNUAL MEETING

AIB invites you
to the 2013 annual meeting
in Istanbul, Turkey,
July 3-6, 2013.

Visit the AIB website for details:
<http://aib.msu.edu/events/2013>

AN INTERVIEW WITH TOMAS HULT

EARLIER THIS YEAR, IBC Assistant Director Sarah Singer sat down with Director Tomas Hult to learn more about his recently published textbook, *Total Global Strategy*. The following is an excerpt from their conversation; the full interview is available online at <http://globaledge.msu.edu/content/gbr/gBR7-2.pdf>.



key global strategy levers that all companies operating globally need to focus on are market participation, products/services, locating value-added global activities, marketing, and competitive moves. These five global strategy levers are the key ones that make global companies thrive – assuming

SARAH SINGER: How critical is global strategy for companies in today's marketplace?

TOMAS HULT: With more and more industries becoming global in nature – that is, more industries have more global companies today than ever before – this also means that companies need to figure out their market space in their industry and then figure out how global they are relative to their industry. In essence, alignment is the key issue.

Companies need to be aligned with the degree of globalness of their industry to some degree. If a company is too global, they need

to spend resources on helping to educate the customers in their industry on global aspects. If the company is not global enough in an industry that is global, they are likely to lose out on opportunities.

The most successful companies find a balance between “overglobalizing” and “underglobalizing.” A need exist to achieve alignment with the globalization in the industry. If you globalize too much in an industry which is not global, you have a national strategic disadvantage. If you do not globalize in an industry which is global, you have a global strategic disadvantage.

SINGER: What are the critical elements of a successful global strategy?

HULT: For any given company and industry, there are literally hundreds of strategic choices and options. But the

they evaluate each and make appropriate development and implementation decisions regarding each. My guess is that 80 percent or more of a global company's success comes from effective and efficient evaluation, development, and implementation of these five global strategy levers.

SINGER: You have developed an effective Global Strategy Framework in your most recent book titled *Total Global Strategy* [published in 2012 together with George Yip by Pearson Prentice Hall]. Describe how topics and concepts presented in the Global Strategy Framework can be applied on the job once a person understands the concepts in the book. Please give some recent examples from your work and studies.

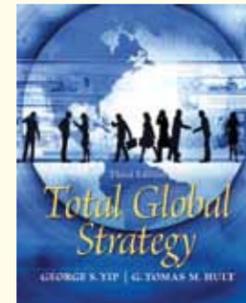
HULT: The global strategy framework that we cover in *Total Global Strategy* centers on the key trigger points for

“...the key global strategy levers that all companies operating globally need to focus on are market participation, products/services, locating value-added global activities, marketing, and competitive moves.”

TOMAS HULT MSU IBC DIRECTOR

companies to be successful in the global marketplace. We cover four industry globalization drivers (market, cost, government, and competitive); five global strategy levers (market participation, products/services, locating value added activities, marketing, and competitive moves); and four organiza-

tion factors (structure, management processes, people, and culture). These 13 drivers, levers, and factors are what make most global companies successful. Readers of TGS will learn the drivers, levers, and factors and how to measure and implement them effectively in their companies.



The global strategy framework has been studied in a number of companies – such as ABB, American Express, Cemex, Daimler, Dell, FedEx, Microsoft, Nokia, Skandia, and Swatch – and the results have been tracked. The global strategy framework has also been incorporated in some 60-70 large multinational corporations such as FedEx, Ford, IBM, Masco, Steelcase, and Textron – along with a large number of small and medium-sized companies across the U.S. but with a focus on Michigan, Tennessee, and Florida.

SINGER: Describe the most important take away from *Total Global Strategy*.

HULT: The key takeaway from TGS is a proven global strategy framework that is working for many global companies. The secondary takeaways include which key triggers lead to success for global companies, how to measure them, and how to strategically align them with a company's industry and organizational capabilities for maximum global impact.

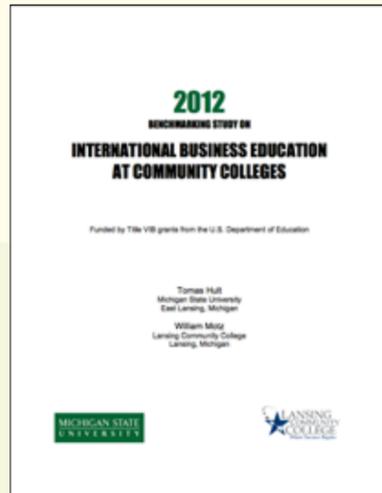
AIB's JOURNAL

THE JOURNAL OF INTERNATIONAL Business Studies, AIB's academic journal, continues to be ranked among the top business and management journals. Recently, JIBS published a landmark special issue dedicated to qualitative research in international business. The articles in this issue showcase high-quality qualitative research as well as how, when, and why qualitative methods are appropriate in international business research.

JAMS EDITORSHIP

IBC DIRECTOR TOMAS HULT recently began his second term as Editor-in-Chief of the *Journal of the Academy of Marketing Science*. In 2012, JAMS published two exciting special issues: one celebrating the journal's 40th anniversary and one focusing on the theme of international competitiveness. The Anniversary Issue showcases 11 articles from top scholars across all areas of marketing, including a Nobel laureate. The international competitiveness issue examines what makes some organizations more competitive than others in the global marketplace with 10 articles from top researchers in the field.

COMMUNITY COLLEGES MORE GLOBALLY FOCUSED



COMMUNITY COLLEGES IN the United States have made huge strides since 2008 in cultivating a global workforce, according to a first-of-its-kind study co-led by IBC Director Tomas Hult.

In 2008, about 51 percent of community colleges offered a basic course in international business. Four years later that number has jumped to 85 percent, said Hult, who led the study with Lansing Community College professor William Motz.

“The most important takeaway is that we as a nation appear to be putting funds into community college education to infuse a

global mindset in a much larger way than in the past few years,” Hult said. “International business education is really starting to flourish at two-year schools.”

Forty-four percent of college students – about 13 million students – attend about 1,200 community colleges in the United States, so the schools play a pivotal role in educating the 21st-century global workforce, he said.

The study analyzed international business offerings at community colleges in all states (with reliable data from 49 states), using the International Business Education Index. New Mexico ranked 1st on the index while Michigan ranked 29th. Grand Rapids Community College ranked 1st in Michigan and also was ranked in the top 20 nationwide.

Designed by Hult and Motz, the IBEX measures the degree to which community colleges emphasize international business education in their curricula and education activities.

“The world is becoming more globalized and integrated, and it is important that we educate students to think logically, be creative and be global citizens,” Hult said.

SARAH SCOTT
FACULTY/STAFF
PARIS, FRANCE

“The most important takeaway is that we as a nation appear to be putting funds into community college education to infuse a global mindset in a much larger way than in the past few years.”

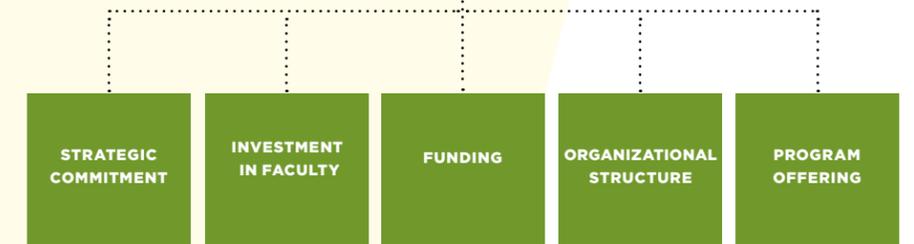
TOMAS HULT MSU IBC DIRECTOR

THE STUDY ALSO FOUND:

- If community colleges continue along their “old” path of international business education – in which few, if any, global business classes are offered – they will fall behind and lose a competitive edge in the college selection process.
- The tough economic times that started in 2008 took a toll on community colleges, but the uptick in international business education and the refocusing of priorities indicate that community colleges are more confident in the economy.
- Investment in faculty proves to be the most important part in achieving credible international business education programs at the community college level.
- The increase in international business programs, courses, and knowledge is a testament to the wants and needs of the global marketplace.

RIGHT
RAJESH KORDE
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PILLARS OF INTERNATIONAL BUSINESS EDUCATION



The IBEX (International Business Education Index) score provides benchmarks for community colleges. It consists of five “pillars” that are important to strategically implement international business education programs and activities at community colleges.



FROM IBEX REPORT

Community colleges educate about half of all undergraduates, some 13 million students, and 95% of businesses that employ community college graduates recommend community college workforce education and training programs.

The average expected lifetime earnings for a graduate with an associate degree are \$1.6 million, about \$.4 million more than a high school graduate earns. Students at more than 50% of community colleges can earn a degree entirely online, and almost all institutions offer Internet based courses.

AN INTERVIEW WITH KIRT BUTLER

KIRT BUTLER

specializes in international and corporate finance



and global strategy and serves as the director of study abroad for the College of Business. He joined the MSU faculty in 1985 after completing his doctorate in finance at MSU. He recently published a 5th (2012) edition of his best-selling *Multinational Finance*. Dr. Butler won the College of Business's Withrow Teacher/Scholar Award in 2001 and the Department of Finance's Excellence in Teaching Award in 2003.

IBC: Obviously with the evolution of technology, many fields are changing rapidly, international finance not least among them. Can you talk about how this field has changed over the last five years?

KIRT BUTLER: One often hears that "change is a constant," but it is not. The rate of technological and sociological change is itself constantly changing – and in most cases it is increasing.

In business, change is driven by increasing integration across national borders in markets for goods and

services. Integration is proceeding at an even faster pace in financial markets as advances in information technology reduce barriers to the free flow of information and capital. Financial market integration has increased the potential for a crisis in one country to affect other countries as shocks are propagated across national markets. Indeed, Basel III – the most recent of the Basel Accords on capital adequacy in the banking system – is focused on ensuring financial market liquidity during crisis periods.

IBC: What do you think international finance will look like five, or even ten, years from now?

BUTLER: The Internet has changed access to information in a fundamental way, with consequences for business, education, and even human relationships. People have not changed – and so the nature of business and education has not changed. What has changed is the way in which we interact with the world around us. At the same time, the world will never be truly flat. Knowledge, wisdom, experience, and judgment will remain in short supply.

The global crisis of 2008 provides an example. The causes of the crisis included a relaxation in mortgage loan standards and an accompanying bubble in housing prices. But blaming the crisis on financial markets

is like blaming the crisis on algebra. Financial derivatives can be complex, but they are merely tools for transforming value. It is people that wield these financial tools. Understanding people – their hopes, fears, and motivations – is and will remain the driving force in business and finance.

IBC: You have been one of the faculty members who have played an instrumental role in shaping and shepherding the College's international strategies and partnerships; you've been especially instrumental in the creation of the soon-to-be-launched Global EMBA. Can you talk a bit about this program – what are the College's goals for it and how do you see that program evolving?

BUTLER: MSU has a long history of international engagement and aspires to be a world-grant university with programs that focus on quality, diversity, and accessibility. Our Global EMBA program is a natural offspring of this mission.

MSU's Executive MBA program boasts more than 2,000 graduates and is the 2nd oldest EMBA program in the USA. Graduates include many high-ranking executives that began their careers in Detroit but now have a global reach. The College suspended the EMBA program in response to the 2008 crisis – at a time when management education

FROZEN CANAL
THE NETHERLANDS
STUDENT



was absolutely critical to the health of Michigan's and the world's economies. The most recent class graduated in 2010.

For the past year, a faculty team has worked to resurrect our EMBA program as a Global EMBA program. Global EMBA programs are a subset of the EMBA market in which programs have an explicitly global orientation and delivery. The four themes of the program are applied learning, teamwork, leadership, and a global perspective. MSU is a world leader in each of these areas.

(1) Applied learning is at the heart of MSU's mission, as reflected in MSU's "Spartans Will" campaign that seeks to positively impact lives and communities.

(2) Our faculty is renowned in the areas of team dynamics and work motivation. An example is our cutting-edge research on how teams interact with other teams in MSU's Facility for Rare Isotope Beams (FRIB).

(3) Leadership is central to any EMBA program, and MSU's College of Business has a strong tradition of developing industry leaders.

(4) MSU is at the forefront of global business and business education. Our International Business Center hosts the Academy of International Business – the leading association of international business scholars.

The proposed 17-month program will begin with a boot camp in East Lansing to form teams and begin the educational process. Online courses will then be interspersed with

three international residencies, initially to be held in Brazil, India, and Turkey. The program will conclude with a case competition in East Lansing judged by a panel of industry experts. MSU's fulltime MBAs have been very successful in case competitions, so this is something in which we have a competitive advantage.

Online delivery of nearly two-thirds of the course content will allow us to attract a global audience in a way that will complement our existing Weekend MBA program. The challenge will be to deliver online content with the highest possible quality using our most experienced faculty. Ideally, our corporate partners will enroll high-potential executives from their global workforce into the program. We are excited to get this program up-and-running.

VISITING SCHOLARS

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Holcomb, Ryan
Huang, Siyuan
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Li, Meiyao
Obrecht, Kelsey
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Slotman, Jaclyn
Smith, Jessica
Sommerfeld, Greta
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Szczypka, Caitlin
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Matthew Anderson, Accounting and Information Systems, Niagara Foundation Cross Cultural Tour

Kirt Butler, Finance, Faculty Development in International Business - Memphis CIBER

Ngan Cheung, PhD Candidate, Marketing, Academy of International Business Annual Conference

Zsuzsanna Fluck, Finance, Financial Contracting and Bond Covenants

Sanjay Gupta, Accounting and Information Systems, Multistate Taxation in the U.S.: What Can the EU Learn from This Experience?

Sean Hill, Mid Michigan Community College, K-12 Language for Business Conference: Technologies and Tools for a New Language for Business Course

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Lucy Maillette, Broad New Academic Initiatives, Review and design of potential academic structure for a Global Executive MBA

Bill Motz, International Business, Lansing Community College, Faculty Development in International Business - Memphis CIBER

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Cheryl Nakata, Marketing, University of Illinois at Chicago, Junior Faculty Consortium, Academy of International Business Conference

Yingying Shi, PhD Candidate, Economics, The Role of Infrastructure Capital in China's Regional Economic Growth

AJ Singh, Hospitality Business, Factors Impacting Hotel Market Performance and Educating the New Generation of Global Managers

Paulette Stenzel, Finance, Mainstreaming Fair Trade and Its Role in Green Business: Big Business and the Small Entrepreneur

Brenda Sternquist, Advertising, Public Relations and Retailing, Theories of International Retailing and Market Orientation in Chinese Retailer-Supplier Relationship: The Reference

Srinivas Talluri, Supply Chain Management, Assessing the Efficiency of Risk Mitigation Strategies in Supply Chains

Chun Zhu, Economics, Prices of Chinese Exports: Beyond Productivity



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PATAN, GUJRAT, INDIA
 FROM THE BOTTOM
 OF THE STEP WELL BURIED
 FOR A THOUSAND YEARS
 UNDER WATER

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SINCE 1999, the MSU Office of International Studies and Programs, in cooperation with the MSU Alumni Association, has sponsored MSU Global Focus, an annual international photography competition for MSU students, faculty, staff, and alumni. Every year winning images are chosen from hundreds of entries. The featured images in this publication are images from the annual competitions.

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