

OIBUSY24 – Country Risk Management

Professor: Anna DIMITROVA, PhD
Contact information: 06 10 09 58 34
anna.dimitrova@essca.fr

Department: International affairs
Semester: 2

Course level: L3 Undergraduate
Domain: International Business and Strategy
Teaching language: English
Number of in-class hours: 33
Number of course sessions: 10 + Exam
ECTS: 6

Course description and objectives

The goal of this course is to provide students with the concepts and analytical tools, which will allow them to identify, analyze and assess current and emerging economic, (geo)political, environmental, technological and societal risks impacting today's global business environment and multinational companies. The course is divided into three main parts. The first part is focused on definitions of "country risk" and its main components studied through the lens of PESTEL and STEP models and a series of case studies of foreign companies facing different risks in host countries. The second part explores different methods of country risk analysis (CRA) and country risk assessment companies, as well as country risk mitigation strategies. The third part provides an overview of country risk in selected countries and regions in Sub-Saharan Africa (SSA), Middle East and North Africa (MENA), Latin America and South-East Asia.

Prerequisites

Not compulsory, but it would be helpful to have notions related to Global Strategy and Strategic Management.

Learning outcomes

By the end of this course, students should be able to:

- 1) Identify and analyze various risks companies should take into account when investing in a foreign country;
- 2) Conduct a country risk analysis (CRA) of a selected company investing in a foreign country by using qualitative and quantitative methods, including the creation of a project risk matrix;
- 3) Identify appropriate risk management tools and strategies, which companies could put in place in order to hedge against country risk, especially when doing business in high-risk countries and regions.

Assignments and grading

50 % - Group work based on a selected case study, which is composed of a written report and an oral presentation. Detailed case study Instructions will be provided to students separately. This group grade will be individually weighed (or not) by assigning a bonus point +1 (or a 0 for being attentive, but passive in course, or a malus of -1 point for having a disruptive in-class behavior) to students who have actively participated in the course.

50% - Individual final exam based on short essay questions related to concepts and topics discussed in the lectures.

The numerical grade distribution will dictate the final grade. The passing grade for a course is 10/20.

Class participation: Active class participation – this is what makes classes lively and instructive. Come on time and prepared. Class participation is based on quality of comments, not quantity.

Exam policy: In the exam, students will not be allowed to bring any document (except if allowed by the lecturer). Unexcused absences from exams or failure to submit cases will result in zero grades in the calculation of numerical averages. Exams are collected at the end of examination periods.

Course structure

Session	Topic
1	Defining country risk and country risk management. Focus on economic and financial risks
2	Political and geopolitical risks: case studies of Lafarge in Syria and Areva/Orano in Niger
3	Geopolitical risks and global supply chain management: case study of Maersk Alabama
4	Cyber risks and business information security
5	Societal and environmental risks
6	Country risk analysis (CRA) qualitative and quantitative methods and CRA assessment companies
7	Project risk matrix. Risk mitigation strategies
8	Country risk overview of the Sub-Saharan Africa region: CRA of selected countries
9	Country risk overview of the MENA region: CRA of selected countries
10	Country risk overview of Latin America and South-East Asia: CRA of selected countries
11	Final Exam

Bibliography

- Bouchet, M., Fishkin, Ch. & Goguel, A. (2018), Managing Country Risk in an Age of Globalization: A Practical Guide to Overcoming Challenges in a Complex World, Palgrave Macmillan.
- Bouchet M., Clark, E. and Gros Lambert, B. (2003), Country Risk Assessment: A Guide to Global Investment Strategy, Wiley Finance.
- Regional Risks for Doing Business (2019), World Economic Forum.
- Top Risks (2023), The Eurasia Group.
- The Global Risks Report (2023), World Economic Forum.
- Wagner D. (2012), Managing Country Risk: A Practitioner's Guide to Effective Cross-Border Risk Analysis, Taylor & Francis Group.

Lecturer's biography

Anna Dimitrova is a Professor in International Business at the Department of Strategy, Entrepreneurship and International Business at ESSCA School of Management in Paris. She has been teaching undergraduate and post-graduate courses in Country Risk Management, International Business, International Trade, and Geopolitics and International Relations. Her teaching and research activities are on the intersection between geopolitics and international business and focus on country risk and foreign direct investment (FDI), especially the impact of political risk on FDI in fragile and conflict-affected countries. She is the author of several books, book chapters and articles that have been published in top-tier academic journals such as the International Business Review, Journal of Common Market Studies, Multinational Business Review, Management Decision, and others. She is an active member of several academic organizations, namely the Academy of International Business (AIB), the European Academy of International Business (EIBA) and the CIFE (Le Centre International pour la Formation Européenne).

Moodle

This course is on Moodle: **Yes**

Academic integrity

Be aware of the rules in Université Paris Dauphine about plagiarism and cheating during exams. All work turned in for this course must be your own work, or that of your own group. Working as part of a group implies that you are an active participant and fully contributed to the output produced by that group.