# Answers to the Six Case Studies

## Case Study 1: Goodyear’s Training Helps Keep Workers Safe

Question 1: Among Goodyear’s business needs include reducing operational inefficiencies related to workers’ absenteeism and compensations attributable to workers’ accidents.

Question 2: The use of safety coaches in all the six Goodyear ‘plants across North America and Europe would allow the cross-border transfer of safety principles (Dirk, Klein and Zentes 47). The ergonomics training program utilized learning principles including the feedback mechanisms and the one-on-one coaching.

## Case Study 2: How Service Express Inc., Serves Employees First

Question 1: Protean Career involves adapting to the changing needs of the market. The hardware maintenance industry requires dedicated and responsive workers. Therefore, employee development at Service Express Inc., involves attracting and empowering workers with values of commitment and responsiveness to meet the needs of the hardware industry.

Question 2: Service Express Inc. should adopt employees’ development strategies including coaching, training, and mentoring. Coaching enables managers to identify employees’ strengths and weaknesses; hence, assign workers to appropriate departments based on their unique strengths and weaknesses. On the other hand, training enhances overall competence of the workforce while mentoring is effective in facilitating workers’ commitment to organizational values.

## Case Study 3: The Container Store Continues to Put Employees First

Question 1: The Container Store is a High Performance Organization because it has self-directing sales persons and a high degree of employees’ involvement in daily operations of the company (Nick and Smith 113).

Question 2: The HR managers at Container Store should conducted sales comparisons with other competitors in the industry. Sales comparisons would reveal if the HRM’s strict hiring and selection process gives Container Store a sales advantage in the industry.

## Case Study 4: Sugar Subsidies Drive Candy makers abroad

Question 1: U.S. sugar producers benefit heavily from the subsidies. On the other hand, consumers and potential employees of sugar producing companies loses from the sugar subsidies.

Question 2: The benefits of U.S. sugar subsidies do not outweigh the losses of the subsidies. The U.S. economy loses more from the candy producers moving to Mexico and other parts of the world with lower sugar prices than it gains from keeping domestic sugar producers happy (Schmitz 62).

Question 3: Removing all support of U.S. producers would increase the importation of cheap sugar into the U.S (Dirk, Klein and Zentes 129). Consequent to the cheap imports, more candy makers would opt to remain in the U.S and create more jobs instead of leaving for Mexico.

Question 4: Since 1930, the U.S. sugar subsidies have remained in place. The persistence of the sugar subsidies reveal that political decisions touching on international trade are influenced by lobby groups as opposed to objective decision-making.

Question 5: From a personal position, I would remove the sugar subsidies and leave the U.S. sugar market liberal (Schmitz 75). A liberalized sugar market would lower the sugar prices for consumers; hence, lowering the country’s cost of living.

## Case Study 5: Creating the World’s Biggest Free Trade Zone

Question 1: The proposed Transatlantic Trade and Investment Partnership (TTIP) will improve trade between Europe and the United States. In particular, tariff reductions occasioned by the TTIP will increase the trade in agricultural goods (Brugge and Ville 84). Also, the TTIP will eliminate the incongruence of quality standards utilized in the EU and the U.S. markets; hence, lowering the costs of conforming to foreign standards and regulations. Overall, the TTIP will eliminate key tariff and non-tariff barriers, hence, stimulating approximately 0.5% annual GDP growth in both the EU and the United States.

Question 2: Despite the anticipated benefits, the TTIP will usher in drawbacks including the rise in unemployment in specific industries in both the EU and the USA. The reduced tariffs proposed under the TTIP will make certain commodities cheaper to import than to produce locally. Cheap importation of EU commodities like sugar will force U.S. sugar producers to relocate to cost-friendly producing nations; hence, causing massive loss of jobs in the U.S. sugar industry (Lussier 51). Besides job loss, the TTIP may also lead to substandard products. Harmonization of quality standards and regulations involves lowering manufacturing standards in certain nations to meet those of other partnering nations. Eventually, harmonized standards will involve compromises in product and service qualities.

Question 3: The NAFTA partnership with Canada and Mexico attracted oppositions from American politicians and organized labor groups because the economies of Canada and Mexico were lower than the economy of the United States (Brugge and Ville 84). Therefore, the U.S. labor groups and politicians perceived that the NAFTA partnership would favor the smaller economies of Canada and Mexico and disadvantage the United States.

On the other hand, the European Union is a massive economic block that challenges the United States in regards to GDP. Therefore, any partnership between the European Union and the United States would usher economic advantages to the U.S. economy. Thus, the perceived economic advantage of trading with the EU was responsible for the silence of the organized labor groups and politicians during the TTIP talks.

## Case Study 6: Foreign Direct Investment in Nigeria

Question 1: Until 2000s, inflow of FDI into Nigeria was hampered by an unstable political environment. Before 2007, Nigeria had struggled with political instabilities occasioned by authoritarian leaders staying for decades in power. Beside political instability, foreign investors were discouraged by endemic corruption, poor road and energy infrastructure, and ineffective government policies (Daron and Robinson 37)

Question 2: In 2007, Nigeria experienced its first peaceful and democratic transfer of power. Therefore, the improvement of the civil and political space in Nigeria invited foreign investors. Beside improvements in the political space, Nigeria instituted progressive government policies including the privatization of key commercial sectors (Daron and Robinson 95). Nigeria also commenced on progressive transformation of infrastructure coupled with the commitment by the government to fight corruption. Thus, advancements in democracy, improved infrastructure, limited corruption and the privatization of commercial spaces accelerated FDI into Nigeria.

Question 3: The use of FDI from multinational companies including General Electric and Proctor & Gamble to establish manufacturing plants will reduce unemployment in Nigeria. Besides reducing unemployment, the manufacturing plants will generate additional tax revenues to the Nigerian government. Subsequently, the Nigerian government will use the increased revenues to expand its power and transport infrastructure; hence, lowering the cost of business and eventually attracting more foreign investors. On the downside, the FDI directed towards manufacturing and the oil sector may hurt other sectors of the Nigerian economy. In particular, the rise in oil and manufacturing sectors will reduce the incentives for the struggling agricultural sector in Nigeria.

Question 4: The global fall in oil process will decrease FDI into Nigeria. Most multinationals including General Electric committed over $1 billion to establish businesses related to the Nigeria oil sector (Daron and Robinson 96). Therefore, oil-related FDIs were committed by foreign investors in the anticipation that the Nigeria oil market will continue to boom. However, the sharp decline of oil process across the globe will make foreign investors hesitant about committing billions of dollars into the oil-dependent Nigerian economy. Thus, declining oil process may scare away FDIs.

Question 5: Islamic insurgents like Boko Haram like to carry out terrorist attacks in populated cities and towns. Despite operating currently in the sparsely populated northern Nigeria, the Boko Haram may eventually start carrying out terror attacks in the populated southern Nigeria. Therefore, foreign investors should learn that the potential for Islamic terrorism harbored by the Boko Haram may affect their businesses in any part of Nigeria, including in southern Nigeria.

Question 6: As an employee of a large-sized consumer products company in Nigeria, I will have to appreciate the fact that selling primary household goods in Nigeria will present both advantages and setbacks. Among the advantages of selling household goods in Nigeria include but not limited to:

1. Large customer base comprising of 167 million Nigerians
2. Improved infrastructure will cheapen transportation of household goods to remote markets
3. High consumer power attributable to the fast-growing economy
4. Political stability and low corruption levels provide a predictable business environment

Contrarily, investing in Nigeria will involve dealing with potential disadvantages including:

1. Threats of insecurity and terror attacks from Boko Haram
2. Intense competition from consumer goods companies like Proctor & Gamble
3. Global fluctuations in oil process may increase energy costs
4. Limited warehousing capacity may inconvenience the storage of household commodities

Based on the listed setbacks of investing in Nigeria, the Nigerian government should deal decisively with the Boko Haram to eliminate any fears of terror among investors. Also, the Nigerian government should invest in other energy sources including hydropower and nuclear energy to prevent fluctuation of energy prices following changes in global oil prices.

## Works Cited

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