

INT 620 Milestone One Guidelines and Rubric: Introduction and Broad Strokes of the Expansion Plan

Overview: For this first milestone, due in **Module Three**, you will provide an overview of the company you have selected and a brief analysis of both the domestic and the prospective foreign market you are proposing the company expand into, and you will analyze the microeconomic and macroeconomic factors and exchange rate factors that must be considered as the company seeks its expansion.

Prompt: First, review the required resources provided in the first three modules of the course. Using the [Final Project Template](#), write a paper and submit under the Final Project Milestone One section.

The following **critical elements** must be addressed:

- **Introduction:** This section of the analysis paper is an opportunity to add context about the company and country you selected to make the focus of this paper. You may explain a specific product that is being launched or relaunched in the global market; that information would also be included in this section. Note: Refer to the Module One Short Paper: Final Project Company Selection and Preliminary Recommendations to assist you in completing this section.
 - A. Justify your **company selection**. Describe your selected company: its country of origin (headquarters), its business, and the industry it is in. As a reminder, the company should be publicly-listed and have financial statements listed with the SEC; the company should also be multinational—that is, it does business in foreign currency and hedges its foreign currency risks.
 - B. Justify the **country** into which your company will expand. Explain why your selected company wishes to expand to this country. Keep in mind the following: try to select a country where the product is not currently sold; you can select any country as long as you can clearly justify your reasoning. In some cases, it might be hard to find a country that the company does not have any presence (e.g., McDonald's). In this case, try to find a country without a specific product the company has on the domestic market.
- **Section 1: Broad Strokes of the Expansion Plan.** In this section of the paper, you will explain the impact a variety of factors have on a company when expanding into global markets. Explaining these factors will prepare you to address the risk factors they create.
 - A. Describe the microeconomic and macroeconomic **factors in the domestic market**.*
 - B. Describe the microeconomic and macroeconomic **factors in the prospective global market**.*
 - C. Analyze the **exchange rate regime** in both domestic and prospective global markets. For example, do they have a fixed exchange rate or floating rate? Is it determined based on basket of currencies, etc.?
 - D. Explain how **changes** in economic factors **impact exchange rates**. One example of an economic factor is inflation. If domestic inflation increases, what would happen to the exchange rates? Use your particular foreign market to demonstrate. Be sure to consider other economic factors besides inflation in your answer.
 - E. Analyze the **financial impact** of exchange rate movements on a corporation. For example, if a U.S. multinational corporation is selling its good in a different market and the U.S. dollar strengthens, how would that impact the corporation's finances? Would there be less or more revenue?
 - F. Explain the main **risks and benefits** of the proposed expansion. In other words, how would the company benefit from going into this particular market and what risks could it face from a financial point of view?

***Note:** In describing the microeconomic and macroeconomic factors, be sure to refer to the table in the [Final Project Template](#), which provides a quick summary of differences between microeconomics and macroeconomics. An excellent resource to use for research of these factors is the [CIA World Factbook](#) (also listed in the Module Three resources).

Be sure to reference the required resources in Modules One, Two, and Three to support your responses. Incorporate instructor feedback from the Module One short paper task into this milestone.

Rubric

Guidelines for Submission: This milestone should be submitted as a Word document, 3–4 pages in length, double-spaced, using 12-point Times New Roman font, one-inch margins, and the latest edition of the APA manual for formatting and citations.

Critical Elements	Proficient (100%)	Needs Improvement (70%)	Not Evident (0%)	Value
Introduction: Company Selection	Justifies company selection with sufficient detail	Justifies company selection but reasons are incomplete or unclear	Does not justify company selection	11.5
Introduction: Country	Justifies the country into which company will expand, and justification is clear and complete	Justifies the country into which company will expand but reasons do not actually support the expansion or are stated incompletely or unclearly	Does not justify the country into which company will expand	11.5
Section 1: Factors in the Domestic Market	Describes the microeconomic and macroeconomic factors in the domestic market	Describes the microeconomic and macroeconomic factors in the domestic market in a cursory, incomplete, or unclear manner	Does not describe the microeconomic and macroeconomic factors in the domestic market	11.5
Section 1: Factors in the Prospective Global Market	Describes the microeconomic and macroeconomic factors in the prospective global market	Describes the microeconomic and macroeconomic factors in the prospective global market but the factors described are not the most important ones to consider, or description is incomplete or unclear	Does not describe the microeconomic and macroeconomic factors in the prospective global market	11.5
Section 1: Exchange Rate Regime	Analyzes the exchange rate regime in both domestic and prospective global markets	Analyzes the exchange rate regime in both domestic and prospective global markets, but analysis is cursory, incomplete, or unclear	Does not analyze the exchange rate regime in both domestic and prospective global markets	11.5
Section 1: Changes Impact Exchange Rates	Explains how changes in economic factors impact exchange rates	Explains how changes in economic factors impact exchange rates but explanation is cursory, incomplete, or unclear	Does not explain how changes in economic factors impact exchange rates	11.5

Section 1: Financial Impact	Analyzes financial impact of exchange rate movements on a corporation	Analyzes financial impact of exchange rate movements on a corporation, but analysis does not include the most important impacts or is otherwise unclear or incomplete	Does not analyze financial impact of exchange rate movements on a corporation	11.5
Section 1: Risks and Benefits	Explains the main risks and benefits of the proposed expansion	Explains the main risks and benefits of the proposed expansion but explanation does not include all the main risks and benefits or is otherwise incomplete or unclear	Does not explain the main risks and benefits of the proposed expansion	11.5
Articulation of Response	Submission has no major errors related to citations, grammar, spelling, syntax, or organization	Submission has major errors related to citations, grammar, spelling, syntax, or organization that negatively impact readability and articulation of main ideas	Submission has critical errors related to citations, grammar, spelling, syntax, or organization that prevent understanding of ideas	8
Total				100%