MBA 795
Global Business Perspectives
China
May 19 ~ May 28, 2014

Instructor: Dr. Yan Ling
Office: 222 Enterprise Hall
Telephone: (703) 993-1821
E-mail: yling@gmu.edu
Website: mymason.gmu.edu
Office hours: By appointment

Course Objective:

The global residency is the hallmark of the George Mason MBA program and provides a platform to develop and deepen a global mindset. The course builds on the foundations developed in the MBA program and is designed to give students an opportunity to develop personal familiarity with the global environment and issues faced by global managers. Beyond the social and cultural dimensions that the residency explores, the course will focus on developing an increased understanding of global markets, competition, and business opportunities. The knowledge gained in this course can be useful both for students who are interested in working for a foreign company and for students who aim to lead a domestic business into an increasingly global marketplace. The focus of the course has varied depending upon the location, background and international experience of the faculty member. This section of MBA 795 has a focus on **expanding a foreign-based business into China**.

As one of the world’s largest and fastest growing economies, China presents major opportunities to U.S. businesses. Over the past ten to fifteen years, most of the prominent multinational corporations in the world have set up operations in China to take advantage of its low labor cost or tap into its huge consumer base. The growing importance and complexity of doing business in China make it imperative for students to develop an understanding of the many unique aspects of Chinese society, including its culture, custom, value system, and political and economic regimes. It would also be very beneficial for students to obtain first-hand knowledge about the structure, operation, and management of indigenous Chinese companies as well as Chinese subsidiaries of foreign multinational corporations. These experiences should help students as future business leaders to formulate better strategies in dealing with their Chinese counterparts and local authorities, and adapt more smoothly to local environments.
Course Structure:

To achieve the aforementioned objectives, the course will primarily focus on Chinese subsidiaries of multinational corporations. In order to develop a more complete view of doing business in China, we will also visit some Chinese companies that are important players in their respective industry or have major international presence. Built on the experience from previous MBA 795 offerings, this course is designed to produce a stronger educational experience by focusing on a limited number (about 7) of companies with in-depth site visits rather than considering a wider array of companies. The company visits will cover multiple industries with the highest potential in China and have capacity for profitable foreign participation (e.g., IT, electronics, chemical, automotive, etc.).

Honor Code:

You are expected to follow the University’s honor code as presented in the University’s publications. I consider it to be inappropriate and a violation of the University’s honor code to (i) use someone else’s work, including spreadsheet models, and submit them as your own, (ii) to use a purchased case or research project solution as a significant portion of any assignment, or (iii) to not give credit (CITE) for ideas gained from other’s work.

Course Schedule:

<table>
<thead>
<tr>
<th>Event</th>
<th>Assignment</th>
<th>Date</th>
<th>Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pre-trip</td>
<td><strong>Required Readings:</strong></td>
<td>Friday, March 7th</td>
<td>Enterprise Hall 276</td>
</tr>
<tr>
<td></td>
<td>“Where East Eats West: The Street-Smarts Guide to Business in China” by Sam Goodman</td>
<td>(6:30-9:30pm)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>“KFC’s Radical Approach to China” Harvard Business School Case.</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>(<a href="https://cb.hbsp.harvard.edu/cbmp/access/25484816">https://cb.hbsp.harvard.edu/cbmp/access/25484816</a>)</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>“What the West Doesn’t Get About China” Harvard Business School Article.</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>(<a href="https://cb.hbsp.harvard.edu/cbmp/access/25484816">https://cb.hbsp.harvard.edu/cbmp/access/25484816</a>)</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Recommended Readings:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>“China CEO: Voices of Experience from 20 International Business Leaders” by Juan Fernandez and Laurie Underwood</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Group Formation (3 groups)</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Pre-trip Meeting #2
Complete Research Paper and Come Prepared to Discuss Possible Business Ideas. 15 minutes per team plus questions.

Deliverable: Research Paper

Pre-trip Meeting #3
Research Assigned Companies and Prepare to Talk about those Companies. 15 minutes per team plus questions.

Deliverable: Site Visit Presentation Slides due at class meeting

Post-trip Meeting: Business Plan Team Project Presentations
35 minutes per team for the presentation plus 10 minutes questions.

Deliverable: Hard copy of Project, Presentation Slides due at class meeting.
Hard copy of each student’s Trip Reflection Journal due at the class meeting.

Deliverables:

1. Class Participation (15% of course grade)

Engaged participation means attending all seminars, site visits, and other activities and actively engaging in the discussions by asking appropriate questions and participating in the group discussions.

You must be able to attend ALL of the class sessions scheduled prior to our departure, each of the business visits in China, and our final session. **If you miss an entire pre-residency or post-residency meeting it will be a one-grade deduction in your overall course grade.** Lack of attendance at meetings during the residency will be evaluated on a case-by-case basis. Of course emergencies will be taken into account.

**A note on “asking questions” during the trip:** The value of the residency is greatly affected by the intelligence of the questions that you ask of our presenters. Good questions elicit interesting points and help speakers align what they say with what you want to learn. That is why you are asked to do substantial reading in advance and work on the pre-residency research paper (see more below). The quality of individual participation affects the learning potential of the residency in another way: Questions shape the atmosphere on the residency and the relationship
between the group as a whole and each presenter. That relationship affects how much or how little everyone can learn from a presenter.

In grading participation, I will be thinking about not only whether your questions, comments and behavior *add* to the intellectual enterprise but also whether they *damage or detract* from it. The latter is a particularly serious issue because it reduces the learning potential of the entire group, and I will grade accordingly and initiate any other actions that are warranted. Also, please keep in mind that, for most of our presenters, English will be (at least) their second language so you need to be clear and concise.

2. Research Paper (15% of course grade)

The purpose of this research paper, which can be completed by yourself or in teams of two (your choice), is to expand your knowledge base prior to the Global Residency on China. Hopefully, this background knowledge will enhance your ability to ask informed questions during the site visits and lectures and will help you prepare for the business idea team project (more below).

In this research paper you should address one of the following topics:

1) What makes China a desirable country to trade with? How is trade facilitated in China? What do American businesses need to think about when doing business in and/or trading with China?

2) Pick one of the main social challenges facing China. How is the government attempting to manage these challenges? How do the social challenges affect growth in China or opportunities for foreign direct investment?

3) Pick an industry in China and discuss the history of that industry in China. What challenges does China face in growing that industry?

4) Other? If you have another idea, send it to me…

You are required to use and cite at least four sources outside of those listed above as you write this paper. These could be magazine, journal, or newspaper articles from reputable sources (i.e., no blogs). If you come across a term or terms (tariff rates / arbitrage opportunities / devaluing currency / pegged currency / etc.) which might be confusing, look it up, define it in the paper, and build a competent level of knowledge in that area.

Papers should not exceed 3 double-spaced pages of text with 1" margins and standard fonts (i.e., 12-point). There are no limits on exhibits and they are highly recommended to enhance the text. A hardcopy of the paper needs to be submitted at the second pre-trip meeting.

Hints for writing a strong research paper:

- Begin with an introduction / end with a conclusion. Have a title, key arguments, and relevant research findings.
• Do NOT summarize facts about China that are already in the cases/articles listed in the syllabus or are elsewhere. Summarizing is lazy research and boring to read.

• Avoid putting extraneous material into your paper (e.g., The total area of China is 9,596,960 sq miles).

• Be thorough! Don’t just use wikipedia – go find the source that wikipedia is using or find other sources.

3. Site Visit Report (15% of course grade)

For this assignment and for the business idea project, students will be placed into 3 or 4-member teams. Each student team will be individually responsible for preparing for one or multiple site visits in accordance with the schedule. The team should prepare a presentation on the company/agency, which should include a summary of the company/agency to be visited and detailed possible questions to ask the company/agency representatives in light of the course readings and the foundations developed in the MBA program. A hardcopy of the presentation slides needs to be submitted at the third pre-trip meeting. The team should be prepared to give a 15 minute overview of the company during that meeting and immediately before we visit with that company.

Also, although engaged participation by all students is expected, the assigned group is ultimately accountable for having prepared relevant questions for the site-visit presenters. They will be our “leaders” for that particular site visit, which means they will introduce our class, GMU, present any gifts we have, and should be first to ask questions.

4. Business Idea Project (40% of course grade)

You team will develop a detailed business plan devised over the course of this class that combines your ingenuity, independent research, and the knowledge, understanding, and perspectives you gained about China through this residency trip. The business plan should be about taking a foreign-based business into China. The chosen company should have not developed presence in any form in China market (e.g., exporting, joint venture, or wholly owned subsidiary). Your project should be DIRECTED TOWARDS CONVINCING MANAGEMENT that yours is a solid business idea. The project should not exceed 20 single-spaced pages of text with 1" margins and standard fonts (i.e., 12-point). There are no limits on exhibits. Each team will present its project and be allotted 45 minutes – 35 minutes for the presentation and 10 minutes for questions. A hardcopy of the project and presentation slides needs to be submitted at the post-trip meeting.

In general your grade for this project is a function of the clear identification of a key idea, the quality of your analysis, and the appropriateness of your conclusions. I will also take into account creativity of the ideas presented, thoroughness of the research and ideas presented, the resources/references you present, and overall writing/presentation style and comprehension.
5. **Trip Reflection Journal (15% of course grade)**

Each individual student will maintain and submit a journal of your travel experiences, making at least one entry per day. The purpose of the journal is:

1) To document your experiences.

2) To record a history of your interactions and observations.

3) To encourage you to reflect on the experience and what it is teaching you about yourself and about doing business in the world.

4) To help you to relate your travel experiences to your course readings and other coursework at Mason.

This assignment will be graded based on the depth and richness of your observations and reflection.