GIM China 2013 – Syllabus

Course Objectives: GIM China is designed to 1) give students an overview of China’s social, economic and business environment, and 2) allow students to explore a China-related topic in depth through primary, in-country research. GIM also allows students to acquire skills that will be useful when conducting business in any foreign environment. In effect, China will be a laboratory in which we will accomplish our broader educational mission of educating leaders who can think critically and creatively about global business issues.

The theme of the class will be “Tomorrow’s China.” The popular business press is filled with stories, often anecdotal, about today’s China. As the theme suggests, GIM China’s goal is to give students the perspective to look more deeply into today’s events to understand where China is heading in the future.

This is a basic course that is primarily geared to students who have little exposure to China. However, the GIM structure is flexible enough to provide a meaningful educational experience to virtually anyone with an interest in international business in general and China in particular.

Course Expectations and Deliverables: Students are expected to do all reading and case assignments and be prepared to discuss the material in the classroom. Full class participation is critical to the success of the GIM model; class attendance is mandatory. Likewise, when traveling in China, students must attend all meetings and site visits.

The major deliverable for this course (60% of the grade) is a team project paper on some aspect of China’s business environment. GIM research projects are significant intellectual contributions based on original primary research the team performs on the GIM trip. They are backed up by extensive background research performed during the winter break and winter quarter. Letter grades of A are only awarded to projects that in the view of the faculty advisers make a meaningful contribution to experts’ understanding of a particular topic.

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Milestones for Tangible Deliverables

- January 10\textsuperscript{th}: critique of a past GIM China project
- January 10\textsuperscript{th}: hypothetical individual project proposal from every students not already formed into a group, or
- January 10\textsuperscript{th}: an actual project proposal from project teams that have been able to form before the start of the winter quarter.
- January 18\textsuperscript{th}: final project proposal (due by e-mail)
- January 24\textsuperscript{th}: approval of final project proposal.
- February 17\textsuperscript{th}: project literature review (3-4 pages)
- March 7\textsuperscript{th}: in-country research plan
- April 10\textsuperscript{th}: in-class presentation of research findings
- April 12\textsuperscript{th}: final research project submission

Project proposals: Due January 18\textsuperscript{th}; e-mail to Mark Finn and Sheila Duran. The proposal should include the following:

- As specific and narrowly focused a description of your topic as possible.
- An explanation of why the topic is important. Possible factors to consider are the topic’s economic or social significance, its timeliness, or a dearth of prior research into the topic (thereby justifying your research.)
- A description of the methodology you would use to conduct your research.
- A list of possible in-country visits you would try to arrange with companies, government agencies, NGOs, etc.
- A description of any special resources you would need to complete the assignment.

Project literature review: Due February 17\textsuperscript{th} by e-mail to Mark Finn and Sheila Duran. Before commencing in-country research into your project topic, it is essential for you to understand what prior work has been done in your area of specialization. The literature review should include:

- An updated description of the topic and discussion of its significance, revised to include feedback from faculty advisers and adjustments you have made since late January.
- An analysis of prior research into the topic. This analysis should be in well-structured prose, not simply a list of bullet points
- A comprehensive, well-formatted bibliography.
- A description of how the project relates to past GIM China research projects. You should review past projects to determine what has been done in your area of research. A list of past GIM China research projects is available from the GIM Office.

In-country research plan: Due March 7\textsuperscript{th} by e-mail to Mark Finn and Sheila Duran. Meeting this milestone assures that you and your group will be ready to travel from an academic standpoint. Your in-country plan should include descriptions of scheduled investigative meetings: With whom, when, where? Include short bios of hosts if available. Also include a short agenda for each meeting and a list of questions to be asked.
Required Materials:


Recommended Background Reading


**Additional on-line resources from Northwestern Library:**

*ISI Emerging Markets:*
This provides information on companies, industries, and foreign investment.

*Economist Intelligence Unit:*
In addition to the useful Country Reports (which you have) there is a great quantity of information and data (Excel files) on country economics, forecasts, and latest business activity news.

The Library Reference Desk at 847.491.7656 can provide assistance in getting access. You will need to log into the VPN or Kellogg Connect to access resources.

**Project Topic Selection**

Prior GIM students have found working on the GIM project to be one of their most rewarding educational experiences at Kellogg. Project work has also generally been the highest rated component of prior GIM classes.

You are encouraged to think creatively about potential topics and discuss them actively with each other and Prof. Finn. Here is a sampling of past GIM China research topics that have resulted in exceptional papers. (Due to confidentiality, the authors names and submission dates have been withheld.)

*Chinese drug counterfeiting, a prescription to kill.*
*The adoption of luxury brands in China.*
*Food safety/cold storage in China.*
*Wind energy in China.*
*Private equity exit strategies.*
*Dissecting China’s iron ore dilemma.*
*The market for organic foods in China.*
*Technology venture investing in China.*
Class Outline (Subject to Change)

Session 1: January 10th

Course Overview
- Course overview, review responsibilities, expectations, and deliverables
- Confirmation of project topics and student placement within teams

Class Formation Activities

Overview of Chinese History, Society, and Culture
- China’s cultural legacy and how it affects the way Chinese view themselves and the outside world.
- Confucianism and its manifestations in business culture
- China’s role in Asia and its relationship with the West and Japan

Assignments (to be turned in):
  - Critique of past GIM project (1-2 pages)
  - Hypothetical individual project proposal/actual group project proposal (2-3 pages)

Session 2: January 17th

The Chinese Economy
- Labor market and migration
- The One-Child Policy and the economics of the family
- GDP-weighted overview of key industries
- International trade and China’s role in global supply chains
  - Energy, natural resources, and environmental challenges

The Chinese government and its role in business
- Present primacy of the Communist Party
- Five-year plans and the country’s future direction
- Trade and industrial policies; nationalism and picking winners and losers
- State-owned enterprises

Case assignments (read and be prepared to discuss):
- China Unbalanced
- Chongqing Tiandi
Session 3: January 24th

Financial and real estate markets
  • Transparency
  • Governance and reform
  • Foreign investors and their role in the economy

Foreign businesses in China
  • Special economic zones and FDI promotion
  • Legal and regulatory structures: JV, WOFE, etc.
  • Piracy and fraud

Case assignments (read and be prepared to discuss):
  • ECG Group: Fraud and liquidation of a joint venture in China
  • Foxconn vs. BYD

Session 4: February 7th

The Chinese Market
  • Chinese consumers
  • Demographics and segmentation
  • Distribution and logistics

Case assignment (read and be prepared to discuss):
  • PerkinElmer: Developing Products in China for China
  • China Novartis Institute for Biomedical Research

Additional reading assignments to be distributed

Session 5: February 21st

Media and Censorship
  • The internet in China
  • The Chinese press

Case assignment (read and be prepared to discuss)
  • Google in China (A)

Additional reading assignments to be distributed
Sessions 6: February 28th

Innovation and moving up the value chain
  • Education and research
  • Government technological initiatives

Chinese companies “Going Global”
  • Overseas investment – opportunities and challenges
  • Building international emerging markets brands

Case assignments (read and be prepared to discuss)
  • Lenovo: Building a Global Brand
  • Haier: Taking a Chinese Company Global

Sessions 7: March 7th

Guest speaker

Building a sustainable China
  • Energy
  • The environment

Reading assignments to be distributed

Session 8: March 14th

Guest Speaker

Operating as a Foreigner in China
  • Cross-cultural communication
  • Chinese business etiquette
  • Negotiations

Reading assignments to be distributed