

INBU-4880-01 FQ19 Understanding China: Its Role in Global Business

SYLLABUS AND SCHEDULE | FALL 2019

Course description/rationale

This course is geared to students who want to learn about the reality of China as a business opportunity as well as a threat, together with China's state of market development.

Building on over two decades of direct experience and recent interviews with 150 CEOs of foreign invested enterprises (FIEs) in China, CEOs of privatized Chinese companies as well as government officials and other experts.

China is changing almost by the day so we will rely heavily on contemporary readings as well as some recent research-based texts and other highly readable material. Outside contributors may be invited to share their perspectives.

Your learning is my primary concern in this course, so I may modify the schedule if, for instance, we discover we need to spend time on a certain topic and less on another.

Course information

Course code: INBU-4880-01
credits: 5
Location: Pigott 101
Class times: TTh 3:45 to 5:50 pm
First session: Sept 26
Last session: Dec 4

Instructor information

Instructor: Dr David McHardy Reid
Phone: 206 296 2473
Email: reidd@seattleu.edu
Office: Pigott 513
Office hours: TTh 9 am to 10:00 am
(or) Please phone or email to arrange appointments outside office hours.

I will check my Canvas Inbox regularly. Please use the contact channel thru Canvas as that will preserve the string. You can email me at any time, but you may not receive a response outside regular business hours. Generally, emails received before 3 p.m. will receive a response before 5 p.m., and emails received after 3 p.m. will receive a response on the following business day. Business days are Monday–Friday, except for holidays.

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Learning outcomes

You will learn about:

1. China's competitive environment
2. China's rapid development
3. Growth and the physical environment
4. The Role of the state
5. The challenge for government
6. Development of infrastructure
7. State Owned Enterprises

On successful completion of this course (i.e. by passing this course), you will be able to discuss

1. Privatized and corporatized companies
2. The competitive advantage of Chinese companies

3. Competencies for foreign companies to succeed
4. Foreign direct investment into China
5. Outward China investment
6. Branding in China
7. The Intellectual Property challenge

Instructional methods

Education research shows that your learning is greatest when you are actively involved in making sense of new concepts (“constructing knowledge”) and when you do this in social settings. This model is technically called “social constructivism.” We will use this model throughout the course, so you can expect to

- be engaged in plenty of classroom activities to build on the readings you have done for each class
- work in small groups during class and for those groups to change on a regular basis
- ask your instructor for clarifications, rather than expecting lectures.

If you find that you haven’t managed to complete a reading before class, you will likely find that particular class frustrating, since we will build on and apply the readings each time (including trouble-shooting the issues you found most perplexing), but class will not involve regurgitating the content of the readings. I hope you find this an engaging and enjoyable approach to learning.

Building on over two decades of direct experience and recent interviews with 250 CEOs of foreign invested enterprises (FIEs) in China, CEOs of privatized Chinese companies as well as government officials and other experts

Provisional schedule and readings

Course Outline

* See Canvas/Modules for additional readings

Main Topic	Date	Speaker/Video	Case (s)	Submission
1. The Political Dimension, Government and the CCP Kyngé: Ch 5, 7, 8	Sept 26	Video: democracy?		
2. Introduction: Historical context and contemporary developments. CSF 1000 Kyngé: Ch 1	Oct 1	Video: Contrasts Country Life; Interdependence		
3. Introduction: Historical context and contemporary developments. CSF 1000 Kyngé: Ch 1	Oct 3			
4. Fresh business perceptions	Oct 8	Guest lecture: Aaron Rose		
5. China's rapid development and business environment Kyngé Chs 2 and 3 Shirk Ch 2	Oct 10	Video: Family Separation	HNA Group: Global Excellence with Chinese Characteristics	
6. Belt and Road initiative	Oct 15	Guest speaker: Spencer Cohen		

7. Understanding Chinese Business: Perception vs. Reality	Oct 17	Guest speaker: YP Chan		
8. Class cancelled	Oct 22			
9. America First: America Last?	Oct 24		Pfizer and Viagra	
10. Introduction to strategy	Oct 29	Guest contribution: Brad Chase: Ex Microsoft	Apple	CA
11. China Investment	Oct 31	Guest contribution: John Zagula Ignition Capital		EM
12. Chinese model of product innovation	Nov 5		Google Inc: "Figuring out How to Deal with China"	
13. Global and China Issues	Nov 7			
14. Radical perspectives	Nov 12	Guest contribution: Steve Dickinson of Harris Bricken law firm		
15. Examination	Nov 14			
16. Guanxi strategy	Nov 19		Sanlu	

17. Current Issues: Environmental cost of development	Nov 21	Video: Environment		
18. Business Issues, intellectual property challenge* Kynge Ch 4	Nov 26	Flexible learning session		
19. Thanksgiving break	Nov 28			
20. Final project presentations (3)	Dec 4	FGP Groups 1,2,3		
21. Final project presentations (3) Last Class	Dec 6	FGP Groups 4,5,6		Last Class
22. Submission of final reports	Dec 9 4 pm			FGP Reports Due

Evaluation: Overview of assignments

You will be evaluated in the following areas: (1) written case analysis, (2) executive memo (EM), (3) participation (attendance, in-class participation, and discussion forums), and (4) a final project. The weights of these elements are:

Case Analysis (individual)	5%
Group Case Presentations	20%
Class Examination	15%
Executive memo (individual)	10%
Participation (individual)	25%
Final Group Project	25%
	<hr/>
	100%

Case Analysis: During the quarter you must submit a written analyses of the case: Apple. This, and all other written assignments, are due to be submitted via Canvas before the start of the class in which the case will be discussed. Those students assigned to present this Apple case above should analyze the next adjacent case, Google.

To encourage interactive learning, these case analyses may be completed in groups of two students (pairs). Alternatively, you may do this assignment on an individual basis.

Grading of your case analysis will be based on:

- The thoroughness and depth of your analysis.
- The extent to which you present clear, logical, consistent arguments.
- The extent to which your analysis reflects the concepts covered in the course.
- The extent to which the various parts of your paper fit together and build each other.
- The extent to which your conclusions and recommendations are specific and justified.
- The degree to which your report is well written and organized.

Group Case Presentations and report: Groups will present and lead the discussion of the cases each week. Thereafter, groups will submit a 2000 word report and the PowerPoint depicting the analysis.

Executive Memos: You will submit one EM, around two pages/600 words based on a contemporary reading relating to the theme of the course: Understanding China. The first of these is due Oct 24.

Brief for Executive Memos

You should be reading The Economist, The Wall Street Journal, or something similar. I expect you to identify a topical article, or two, related to the theme of the course: Understanding China: Its role in Global Business. Produce a two page (500-600 words) analytical summary that will stand scrutiny against the grading rubric posted on Canvas. I am not looking for essay format, rather short report format with headings. Please attach or link to the article(s) on which you draw.

Case Discussion and Class Participation

Participation: The essence of China strategy and strategy generally is seeing underlying patterns in business situations. The most skillful managers can see patterns that elude others. The ability to see just a bit more clearly is an ability that this course is designed to develop; it can make all the difference. This course uses case analyses and in-class case discussions to develop this skill. Its success depends heavily on the quality of class discussion, and so thorough preparation for these discussions is essential.

To prepare for class, please read the case materials, think about the case preparation questions, and discuss your analysis of the case with your study group before class. I will focus primarily on the quality of your input in grading class participation, however, it usually takes at least some quantity of participation to make that evaluation. I grade participation each session. A no show attracts a zero score.

To help me learn student names quickly, please pick a specific seat for the first class session and remain in that seat through the early weeks of the course.

You are expected to attend all classes. You cannot make-up a case discussion that you have missed: there are no outside readings or work you can do that can provide a good substitute for being in class and participating in the discussion.

This course will make extensive use of Canvas.

Some students come to case discussions with a pre-prepared point they wish to make and wait for the opportunity to add it to the class discussion. This is not a good strategy. It is unlikely that you will be able to add such a pre-prepared point at just the right moment. Adding it at the wrong moment simply distracts and confuses the direction of discussion. The better strategy is to come to case discussion with a set of issues you have explored and are prepared to discuss in a variety of contexts.

Good case discussions take the group farther than any one individual or study group was able to go on their own. I will develop grades and scores based on the quantity and quality of your classroom contributions. The criteria are:

- Are the points made relevant to the discussion?
- Do they go beyond a mere recitation of case facts, and are implications clearly drawn?
- Is there evidence of analysis rather than just expression of opinions?
- Are comments linked to those of others?
- Did the contribution further the section's understanding of the issues?
- Is the participant a good listener?

Final Group Project: The final project is to be done in your allocated groups. The assignment is as follows:

Select a company in an arena that you believe is especially threatened by China's advantages, or due to flaws in strategy. Prepare a written report and classroom presentation to address three issues: (1) the company's current strategy, (2) the reasons for underperformance, and (3) your recommendations for strategic change to meet the China threat and provide a more robust competitive response. Be sure to explain why the change in strategy that you propose is likely to improve performance. Your report should be not much more than 20 double-spaced pages of text (11pt or higher font) with additional exhibits attached.

The last two class sessions of the course are reserved for oral presentations of final projects. Please submit both your written report and a copy of your slides at the beginning of class on the day your presentation is scheduled.

Required readings and materials

Essential Course Background Reading:

1. Clissold, T. Mr China* and China Rules (Two books)

2. Kynge, J. China Shakes the World*

We will study five cases. These are available from:

<https://hbsp.harvard.edu/import/670176>

3. You will need to register on the hbsp.harvard.edu site.

The cases are:

- HNA Group: Global Excellence with Chinese Characteristics
- Pfizer and Viagra
- Apple
- Google Inc: "Figuring out How to Deal with China"
- Sanlu

4. Recommended: Shirk, Susan, Fragile Superpower

5. The Economist, Financial Times, Wall Street Journal, etc.

*Essential

The texts 1 and 2 are short books that you should read in their entirety, though some specific cross-references to the lectures are supplied to the Kynge book. These books will provide an essential feel for the flavor and business reality in China. The cases, which we will discuss each week help us drill down and look at the collective business effect.

Recommended resources for additional exploration

Other useful sources that deliver something of China's perspective are:

<http://www.chinaview.cn/china/index.htm>

<http://www.chinadaily.com.cn/>

And from Hong Kong:

www.scmp.com

The WSJ is available to you at a low, discounted rate of \$24.95 for a 10-week home or office delivery subscription with full access to [wsj.com](http://www.wsj.com), an 80%+ discount off of the newsstand price:

<http://subscribe.wsj.com/quarter>.

The Economist is the best and most cost effective source of Global Business news. I urge to buy a student subscription. It is on offer to you at 77 percent discount:

<https://www.economistsubscriptions.com/searchstudent/us/>. This, apart from provision of the newspaper will buy you searching rights to the website-based archives.

Academic resources

My goal is to create a learning environment in which you can be incredibly successful. I will work hard to create and improve the learning environment throughout the quarter/semester based on my own observations of the course and your feedback on what would help you learn more. In

return, I ask and encourage you to make the most of this learning opportunity. Please take advantage of the academic support services available to you at the university. Even if you have had excellent study skills in the past, it is easy to slip into suboptimal habits and these services can help you excel in your studies.

Library and learning commons (<http://www.seattleu.edu/learningcommons/>)

(this includes: learning assistance programs, research [library] services, writing center, math lab)

Academic integrity tutorial (found on canvas and su online)

Academic policies on registrar website (<https://www.seattleu.edu/redhawk-axis/academic-policies/>)

Academic integrity policy

Academic grading grievance policy

Professional conduct policy (only for those professional programs to which it applies)

Notice for students concerning Disabilities

If you have, or think you may have, a disability (including an 'invisible disability' such as a learning disability, a chronic health problem, or a mental health condition) that interferes with your performance as a student in this class, you are encouraged to arrange support services and/or accommodations through disabilities services staff located in Loyola 100, (206) 296-5740. Disability-based adjustments to course expectations can be arranged only through this process.

Notice Regarding Religious Accommodations

It is the policy of Seattle University to reasonably accommodate students who, due to the observance of religious holidays, expect to be absent or endure a significant hardship during certain days of their academic course or program. Please see, policy on religious accommodations for students (<https://www.seattleu.edu/media/policies/policy-on-religious-accommodations-for-students---final.pdf>).

Office of Institutional Equity

Title ix of the education amendments of 1972 (title ix) prohibits discrimination based on sex in educational programs or activities that receive federal financial assistance. This prohibition includes sexual misconduct, which encompasses sexual harassment and sexual violence. Seattle U remains committed to providing a safe and equitable learning, living, and working environment. Seattle U offers emergency, medical, and other support resources, as well as assistance with safety and support measures, to community members who have experienced or been impacted by sexual misconduct.

Seattle U requires all faculty and staff to notify the university's title ix coordinator if they become aware of any incident of sexual misconduct experienced by a student.

for more information, please visit <https://www.seattleu.edu/equity/>. if you have any questions or concerns, you may also directly contact the title ix coordinator in the office of institutional equity (email: oi@seattleu.edu; phone: 206.296.2824) university resources and policies

CLASSROOM NORMS

During our first session, we will jointly create classroom norms (or “agreements”) to which we will all abide so that we have the most productive and positive learning environment. We will also revisit these norms regularly during the quarter/semester. Regular examples from previous years include that we agree to:

- Start and end on time
- Come to class prepared
- Participate actively in discussion
- Show one another courtesy, including when we disagree.

MISSED CLASSES

If you expect to be absent or to be late, please e-mail me beforehand (or as soon as possible). I will pass on your apologies to the group at the start of class.

If for any reason you do miss a class, be sure to obtain notes from one of your peers to catch up. If, after going over those notes and checking the readings for the class, you still have questions, please arrange to meet me during office hours to discuss. Remember to bring those notes with you so that we can work on your specific, focused questions.

CELL PHONES, LAPTOPS, AND RECORDING DEVICES

So that we can all stay focused and get the most from our time in class, all cell phones – including my own – must be turned off except by prior agreement. (For instance, if you’re the primary caregiver for someone, a relative or close friend of someone who’s critically ill in hospital, or an expectant birth partner, please let me know so that we can make a suitable arrangement.)

There will be a few opportunities during class to use your laptops. I don’t appreciate people surfing the net during class. If I suspect you are doing this your participation score will likely suffer.

- Good note-taking skills are vital for you in your future careers: You can’t always rely on technology being available, can’t expect to be given prepared summaries or notes, nor can you afford the time to write everything long-hand. It’s important that when you graduate, you have some good note-taking techniques and can differentiate essential facts from background information during a discussion.
- Using laptops can be a distraction, both for other students and for the instructor. The temptation to attempt to “multi-task” using technology in class can also be enormous, but to do so would be extremely discourteous to the entire class, and would be a waste of your own learning opportunity.
- Recording devices can make individuals feel less free to express themselves and can therefore constrain discussion.

Please be respectful of other students' time and commitment to their studies by not breaching this policy so that we don't end up in the embarrassing position of having to ask you to leave the class. If your phone does accidentally go off, I expect you to turn it off immediately, and not to answer the call.

Grading procedures and policies

ATTENDANCE AND PARTICIPATION EXPECTATIONS

Numerous research studies have shown that when students actively ask and answer questions, they take greater interest in the material, they clarify shared misconceptions, and they retain more information. I would like to see all of you actively participating in the learning process during discussion, interactive micro-lectures, and small-group work. At a minimum, active participation requires regular and attentive class attendance.

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PARTICIPATION GRADING RUBRIC

	4	3	2	1
CRITERION:	POSITIVE ATTRIBUTES			
Finds ways to connect own comments to the comments made by other students in class.	Frequently	Occasionally	Seldom	Almost never
Answers questions in class posed by the professor or by other students OR offers helpful explanations when another student is confused.	Frequently	Occasionally	Seldom	Almost never
Uses language that is appropriate for the classroom and is courteous towards other students and the professor.	Frequently	Occasionally	Seldom	Almost never
Demonstrates that s/he is doing the reading through questions, answers and comments in class.	Frequently	Occasionally	Seldom	Almost never
	NEGATIVE ATTRIBUTES			
Misses class.	Almost never	Seldom	Occasionally	Frequently
Shows up late to class.	Almost never	Seldom	Occasionally	Frequently
Exhibits disruptive behavior (e.g. interrupts others, falls asleep, dominates conversation, breaches class-generated norms, etc.).	Almost never	Seldom	Occasionally	Frequently

GRADING SCALE

A	100–94	Superior	B–	82–80	D+	69–67	
A–	93–90		C+	79–77	D	66–63 Poor	
B+	89–87		C	76–73	Adequate	D–	62–60
B	86–83	Good	C–	72–70	F	59 or less	Failing

SUBMITTING YOUR ASSIGNMENTS

All your assignments must be submitted to me in person at the beginning of class. If you are unable to do so (for instance, because you are sick), please submit your me your assignment BEFORE the beginning of class via Canvas so that it is marked as being on time.

FORMATTING YOUR ASSIGNMENTS

It is important that your work is clearly presented and easy to read. This will enable me to return your work more quickly. Equally, your efforts should be focused on the content, not the layout, so you must present your work as follows.

HOW?	WHY?
Word processed	When you graduate, you will be expected to have good IT skills, so it's important to practice for accuracy and speed. It's also much easier to read.
Font: 11 point Arial (for PC) or 11 point Helvetica (for Mac)	Sans serif fonts like Arial and Helvetica are easier to read than serif fonts (e.g. Times New Roman), particularly for people with visual impairment.
Left aligned	Left-aligned text is easier to read because the spaces between the words are equal. Justified text (where both margins squared) has uneven spaces that can cause problems, especially for people with visual impairment or with dyslexia.
Double spaced	This leaves room for people (including you) to add notes and make corrections.
Double-sided	This saves paper, so your environmental conscience is a little clearer. It also makes up for the fact that you're double-spacing!
Black ink	Colored ink is expensive and wasteful. We're also more interested in your ideas that your design flair.
Include a Word Count at the end of the assignment	So that your instructor can see how much you have written and so that you can gauge whether you are within 10% of the required word count.

BIBLIOGRAPHY AND CITATION REQUIREMENTS

All citations must follow the *APA Publication Manual* (6th edition), since it is the standard referencing system for this discipline. It may be different from other systems you have used, so follow the Manual's citation guidelines carefully. This is an opportunity to demonstrate your attention to detail.

ASSIGNMENT DEADLINES AND EXTENSIONS

In this class, you are expected to conduct yourselves as professional, courteous, and well-organized individuals – this is what any organization will expect of you when you complete your degrees. Acting in this way helps give Seattle University graduates a reputation as excellent and reliable colleagues, and in turn it means that your degree is worth more in a competitive

marketplace. One of the most important ways you will demonstrate these behaviors in class is by ensuring that your work is ALWAYS ON TIME.

Assignments must be submitted by the set deadlines and will typically be returned within 10 business days. It is essential that you plan ahead for all eventualities to ensure that none of your work is late. Check the session-by-session schedule at the end of this syllabus to see when assignment briefings will be given and when assignments are due. This enables you to plan now. Block out time in your calendar now so that you know exactly when you will be working on assignments for this course. Make sure you give yourself extra time just in case you run into difficulty with an assignment, have a computer problem, or feel unwell.

I have blocked out times in my own schedule specifically for grading your work so that I can return it to you quickly while the work is still fresh in your minds. Any late work will therefore receive a 0% grade.

If you are unable to complete course requirements because of extenuating circumstances, please notify me on or before the date the assignment is due and provide relevant supporting documentation (e.g. doctor's note, note from counselor).

An agreement to receive an Incomplete (I) grade may be negotiated if your circumstances do not allow you to finish the course on time. The Incomplete Removal Policy of the university is available on the Office of the Registrar web site: <https://www.seattleu.edu/registrar/Policies.aspx>

Student responsibilities for learning

You can expect to devote an average of two hours outside of class to the subject matter (readings and preparation, as well as substantive assignments and participation exercises) for every hour in class. As this is a five-credit class, you can reasonably expect an average of 10 hours of homework each week. I have tried to ensure that the workload is evenly distributed throughout the course, but if you find you have less than the normal amount of work one week, I suggest you read ahead for future classes.

Please refer to other course policies on attendance, participation, missed classes, and assignment deadlines earlier in this syllabus.

Title IX of the Education Amendments of 1972 (Title IX) prohibits discrimination based on sex in educational programs or activities that receive Federal financial assistance. This prohibition includes sexual misconduct, which encompasses sexual harassment and sexual violence. Seattle U remains committed to providing a safe and equitable learning, living, and working environment. Seattle U offers emergency, medical, and other support resources, as well as assistance with safety and support measures, to community members who have experienced or been impacted by sexual misconduct.

Seattle U requires all faculty and staff to notify the University's Title IX Coordinator if they become aware of any incident of sexual misconduct experienced by a student.

For more information, please visit <https://www.seattleu.edu/equity/>. If you have any questions or concerns, you may also directly contact the Title IX Coordinator in the Office of Institutional Equity (**email:** oi@seattleu.edu; **phone:** 206.296.2824)
