

MANAGING CHINA CROSS-BORDER DEVELOPMENT (MGT 541)



Module 3, 2014: 17 February – 18 April

Graduate-level; Management Elective; English-Delivery

36 Contact Hrs.; 9 Weeks; Meetings 2x/week; 3 credits

Website: <http://cx14.phbs.info> Alternate Site: <http://cx14.terrillfrantz.com>

Instructor Information:

Name: Prof. Terrill L. Frantz

Office Location: 761

Email: terrill@phbs.pku.edu.cn

Website: <http://scholar.terrillfrantz.com>

Office Hours: 8:30-10:00am Monday & By Appointment

Course Meeting Information:

Days: Monday & Thursday(*)

Time: 1:30pm-3:20pm

Classroom: 231

(*) Note: some meeting days/times will be adjusted to accommodate guest speakers' availability

Course Description

This applied management course is designed to fortify students' global perspective of business management by deepen appreciation of the real-world complexities of business activity crossing Mainland China's geopolitical borders. This course will further prepare students for managing a business under unfamiliar and multifaceted foreign conditions, e.g., different, business expectations, practices, cultures, norms, taxes, and legal environment, among other multidimensional threats, and/or opportunities. This course has an applied orientation; nearly every conceivable business-school specialty is touched upon, e.g., macroeconomics, finance, strategy, marketing, operations, technology, governance, human resources, law, capital markets, public policy, governments, foreign exchange, organization behavior, etc. We explore the practical- and tactical-level of these functional areas, such as dealing with customs, exchanging money, reporting taxes, etc. ...albeit in non-China jurisdictions. Moreover, the course exposes students to the real-world events by exploring the past and ongoing "The China Story" leading to an emphasis on its present-day cross-border business activities.

Course Objectives

The course is designed and the instructor endeavors to:

- Facilitate the expansion of students' business-related horizon by reaching beyond the familiarity of their home setting,
- Expound how managing cross-border business differs from managing domestic business,
- Acquaint students with the past and present-day, evolutionary "China Story,"
- Prepare students for the inevitable reality of personally being exposed to global business issues in their management career, regardless of their chosen industry or profession, and
- Greatly raise the students' level of global business awareness and personal reach.

Course Topics

The course material involves topics such as:

- The evolutionary history of China leading to today's "Go-Out" strategy,
- Outbound Investment into Africa
- Flow of Assets: goods (Customs) / flow of money (banking) / people (visa)
- Global Corporate havens
- World Trade Organization
- CEPA: Hong Kong & CEPA Macau & ECFA (Taiwan)
- Competition Laws
- Offshore Renminbi (CNH)
- Regional Economic Communities: NAFTA; European Union; ASEAN/AEC; African Union
- China Special Economic Zones
- China into Africa

Learning Outcomes

After successfully completing this course, the student will be able to:

- Conversant with the breadth of issues affecting a manager pertaining to China cross-border business development,
- How cross-border business differs from domestic,
- Recognize and comprehend the inherent complexity, risks and benefits of managing China cross-border activity, and
- Diagnose the multi-faceted intricacies of China cross-border business development and management.

Instructional Methods

This course utilizes lectures, presentations, and guest speakers and will therefore require student involvement in order to accomplish the learning objectives of the course. This course will draw on numerous books, articles, business cases, WWW sites and current news events. Students will be expected to seek data and information on their own as a critical part of the learning process. Students can expect a portion of the learning to take place outside the course meeting time. This course will require critical thinking; this is not a rote memorization course. It will develop your business writing and oral presentation skills.

Prerequisites

The student should be acquainted with the general concepts and ideas of business and business management. Having taken any International Business or Cross-Culture Management courses would be beneficial, though not required.

Course Text

Readings will be provided by the professor.

Grading/Evaluation

To accommodate the clashing learning styles and needs of graduate students, the grading regime is flexible for this course. Each student must choose one of two grading plans (Plan I, or II) for themselves. The student's election must be declared by the end of 5th class meeting; their selection is final and cannot be changed. Please note that grading is not personal; it is a mirror reflection of the merit of the submitted work and in this course it is certainly not a negotiation.

Grading plan I:

Classroom Participation (Individual)	20%
Oral Presentations (Individual; 4x15pts)	60%
Final Project (Individual; Written)	20%

Grading Plan II:

Classroom Participation (Individual)	20%
Oral Presentations (Group; 4x5pts)	20%
Final Project (Individual; Written)	60%

Classroom Participation: comprises active engagement in the class discussion and productively adding to the conversation by asking questions, informing the class of additional information, etc.; this is above and beyond mere attendance in the class. Classroom participation points will start to be scored on the 5th classroom meeting.

Oral Presentations (individual or group): are 20-minute presentations to the class that include a class discussion component. If a group presentation, membership will be assigned by the professor, and all members of the group must meaningfully participate in the oral presentation.

Final Project: A written report on a topic chosen by the student within the broad parameters specified by the instructor. If an oral presentation is required (in the case of Plan II), it should be approximately 15-minutes and follow the guidelines described above for Oral Presentations.

Student Expectations & Course Policies

Class Participation: Regular and energetic participation in the activities of an online course is essential for the benefit of the individuals and the group. Students are expected to engage in the course activities throughout the duration of the course. Significant assignment and course grade penalties will be applied should specific non-participative situations warrant. The assessment in this regard, by the professor, is final.

Timeliness: Completing assigned activities on time directly affects both the success of the individual student and the flow of the course experience by the group. It is the student's responsibility to stay current by submitting all

assignments and completing activities at the time they are expected. Timeliness is a strict requirement of successfully completing this course. Submitting assignments after the expected time is unproductive and can severely affect the student's grade. Any submission timing issues should be worked out with the professor, well in advance.

Enthusiasm: The global perspective is highly stimulating to anyone truly interested in investment banking from any functional or working perspective. A student's interest in the course activities is indicative of their interest in the topic and one's enthusiasm will follow; such enthusiasm spreads to others in the course and improves the richness of the learning, thus its import. While the course is in progress real-world events are likely to be introduced into the program and into the regular conversation, further necessitating students' interest in the course. The most rewarding outcome for all will arise from enthusiastic involvement in the class. This can be an exciting and fun course!

Academic Integrity: Students are expected to follow the Code of Academic Honesty according to western, world-class standard. In particular, plagiarism is a serious offense. In academic writing, students are expected to properly source all ideas that are not their own. College stresses bring great temptation to take intellectual shortcuts...resist this!

Course Website

The course website is the primary communications vehicle for outside-of-class communications and course documentation. The student is expected to routinely check the site for information and class-related announcements—perhaps daily. The website URL is listed at the top of this syllabus.

Instructional Program

Unit	Unit Title
1	Introduction; Know Thy Owns Story: Examining China
2	Fundamentals of Cross-Border Development:
3	Structural Complexities and Challenging Practicalities
4	China Going-Out: SOEs to Distant Lands
5	China Going-Out: SMEs to China's Neighbors
6	China's Special Economic Zones (SEZs): Domestic and Foreign
7	Back Stories: China-Greenland, China-Canada, Sino-Africa

About the Instructor

Assistant Professor Terrill Frantz is a full-time management faculty member of Peking University HSBC Business School in Shenzhen, China. He has 20 years of corporate experience in global investment banks (Morgan Stanley and JP Morgan) in New York, London, and Hong Kong, and in consulting for organizations in other industries, such as chemicals, presidential politics, and numerous SMEs. His academic specialty is in Organization Behavior during M&A, with a primary research focus on Post-Merger Integration—he has published numerous academic articles and book chapters on the subject. Dr. Frantz has a life-long orientation in software technology, finance, and international business management, buttressed by both work experience (Asia-Pacific Operations Officer for Technology at Morgan Stanley, Assistant to the CIO at Morgan Stanley, etc.) and advanced degrees (Executive MBA from the Stern Business School, New York Univ.; Doctorate degrees in Computer Science from Carnegie Mellon Univ., and Organization Change from Pepperdine Univ., etc.).