

Entrepreneurship in China

Catalog Description:

BADM 4040 Entrepreneurship in China (3) Characteristics of Chinese entrepreneurs, financing new ventures, innovation and creativity, franchising in China, Chinese family businesses, technological entrepreneurs, technological intrapreneurs, entrepreneurship education in China, incubators in China

Justification for Course Addition:

Entrepreneurship plays a vital role in modern Chinese business. Understanding how Chinese entrepreneurs survive and thrive is critical for foreign firms seeking to grow in China. The course is designed to add value to the new *Modern Chinese Business and Culture* program at LSU (www.lsu.edu/china and www.bus.lsu.edu/china). Specifically the course seeks to understand the general characteristics behind the success of China's entrepreneurs and show what foreign firms can learn from them to survive and thrive in China. The students will explore opportunities of helping companies, such as the clients of Louisiana Business & Technology Center and the associates of LSU's Entrepreneurship Institute, to venture into China. The course knowledge will help students who will work in China or who will have responsibilities related to doing business with China.

Outline of Course Topics:

1. Success Cases of Entrepreneurship in China
 - American Cases
 - Kodak [10]
 - General Motors [10]
 - Procter & Gamble
 - Coca-Cola
 - European Cases
 - Danone of France [1]
 - Nestle
 - Roland Berger International Management Consultants Ltd. [10]
 - Chinese Cases [10]
 - Beijing Textile Group
 - Cyberway Computer Communications Co. Ltd.
 - Shanghai Automotive Industry Corporation
 - The Stone Group
 - Other Cases
 - South African Breweries in China [10]
2. Learning from Trailblazing Chinese Entrepreneurs [9]
 - Acknowledging the Fog of the Future
 - Conducting Reconnaissance into the Future

- Outcycling the Competition
- Developing a Flexible Hierarchy
- Managing Relationship Dynamically
- Going for the Gold
- Getting Big Right
- Leading in an Unpredictable World

3. Financing New Ventures [10]

- Foreign-funded Enterprises in China
- Local-funded Enterprises in China
- Cases
 - Guangzhou Peugeot Automobile Co. Ltd.: Partnership Breakdown

4. Innovation and Creativity [8]

- Effectual Entrepreneurs [2]
- Causal Managers
- The Roles of Information Technology [7]
- Cases
 - Kodak in China
 - Nestle in China

5. Franchising in China

- Inequality and Poverty in China [5]
- Franchising as a Solution
- Cases
 - KFC in China
 - Subway in China
 - MetersBonWe

6. Family Business in China [3]

- Issues and Resolutions between Family and Non-family Employees
- Leadership Transitions
- Next Generation Leadership
- Cases
 - Formosa Plastics Group

7. Entrepreneurship Education in China [6]

- Entrepreneurship Institute at Tsinghua University in Beijing
- Entrepreneurship Institute at Fudan University in Shanghai

8. Incubators in China

- High-technology Incubators [4]
- Incubators at Tsinghua University
- Incubators at Fudan University

Grading Policy:

1. Analyzing and presenting a successful US-based firm in China: Each student will carefully examine an assigned US-based company succeeding in China to see how the company was formed, is managed, and grows in China. A detailed recommendations report for Louisiana firms interested in doing business in China is required. The report will be useful for the clients of Louisiana Business & Technology Center and the associates of LSU's Entrepreneurship Institute.
2. Developing and presenting a business plan to do business in China: Each student will develop and report a new business plan showing how to recognize the business opportunity, bring it into existence, manage the launch, and nurture and grow the business in China.
3. Final exam: The exam will test the students the topics discussed in class.
4. For graduate students, an additional research project on Entrepreneurship in China is required.
5. Grade distribution:
 - Undergraduate Students
 - Class Discussions: 10%
 - Quizzes: 10%
 - Midterm Exam (Best-Practice Analysis and Presentation): 25%
 - Team Project (Business Plan): 30%
 - Final Exam: 25%
 - Graduate Students
 - Class Discussions: 10%
 - Quizzes: 10%
 - Midterm Exam (Best-Practice Analysis and Presentation): 20%
 - Research Project: 10%
 - Team Project (Business Plan): 30%
 - Final Exam: 20%
6. Grading scale: 90% above (A), 80% above & below 90% (B), 70% above & below 80% (C), 60% above & below 70% (D), below 60% (F).

Textbooks:

1. Sull, D.N. and Wang, Y., *Made In China: What Western Managers Can Learn from Trailblazing Chinese Entrepreneurs*, HBS Press, 2005.
2. McGregor, J., *One Billion Customers: Lessons from the Front Lines of Doing Business in China*, (Wall Street Journal Book), Free Press, 2005.

Reading References:

1. Chen, A. and Vishwanath, V., Expanding in China, Harvard Business Review, Mar 1, 2005.
2. Effectuation Theory of Entrepreneurship (www.effectuation.org)
3. Ganster, S.H. and Kedl, K.D., *The China Ready Company*, China Pathways, LLC, 2005.

4. Harwit, E., High-technology incubators: Fuel for China's new entrepreneurship?, *The China Business Review*, 2002.
5. Khan, A.R. and Riskin, C., *Inequality and Poverty in China in the Age of Globalization*, Oxford University Press, 2001.
6. McGregor, J., *One Billion Customers: Lessons from the Front Lines of Doing Business in China*, (Wall Street Journal Book), Free Press, 2005.
7. Sheff, D., *China Dawn: The Story of a Technology and Business Revolution*, Collins, 2002.
8. Tsai, K.S., *Back-Alley Banking: Private Entrepreneurs in China*, Cornell University Press, 2004.
9. Sull, D.N. and Wang, Y., *Made In China: What Western Managers Can Learn from Trailblazing Chinese Entrepreneurs*, HBS Press, 2005.
10. Vanhonacker, W.R., *The China Casebook*, McGraw Hill, 2004.