

INSTRUCTOR

Alex Gabbi

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TEACHING ASSISTANT

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CONTACT

Office hours, by appointment, e-mail, phone or text message (512-633-1193)

TEXTBOOKS

IB 372 Course Packet available through Harvard Online at

<https://hbsp.harvard.edu/import/842581>. **(REQUIRED)**

Additional materials will be assigned / purchased over the course of the semester. **(REQUIRED)**

COURSE OBJECTIVES

1. To provide you with a framework for formulating, building, managing, and winding down a new business venture in an international context.
2. To reinforce international business concepts you have learned in other international business courses.
3. To expand upon your existing knowledge of international business operations and introduce new material pertinent to business operations in the global market.
4. To develop your ability to apply international business concepts to practical business situations.
5. To develop your problem-solving skills and decision-making ability.
6. To enhance your written and oral communication skills.
7. To improve your ability to work in a group environment.
8. To increase your skills in business research and information analysis.
9. To provide you with a practical understanding of how to conduct business in a global economy.
10. To provide you with an experience that is as close as you can get to the 'real world' in an academic environment. In particular, to allow you to learn about the factors involved with starting, growing, managing, and winding down a start-up with global operations.

COURSE METHODOLOGY

The primary vehicles for achieving the course objectives will be:

Case Analyses—a case is a synopsis of a ‘real world’ problem or situation faced by an organization. You will respond to the case by analyzing the problem/situation to determine the key issues, objectives, and management alternatives, and then determining the best course of action for the organization being studied. These cases will be discussed in class, allowing you to develop, exhibit, and refine your analytical and problem solving skills.

Class Discussions—practical global entrepreneurship problems will be explored through class discussions.

Lectures—a variety of lectures will be provided on various course topics to provide the foundation for learning. These lectures will be provided both by the instructor and guests from the Austin business community.

Real World Simulation—throughout the semester, student groups will explore a variety of international business and entrepreneurial issues by founding, growing, managing and reacting to crises with their own fictional companies.

PERFORMANCE EVALUATION

Your performance in the course will be determined on the basis of the following items:

Team-based Grade Components:

o Simulation #1: Business Plan/Performance to Fundraising Goals	30%
#1a: Business Plan Write-Up (Executive Summary/Financials)	15%
#1b: Venture Funding Presentation	15%
o Simulation #2: Business Profitability Review	15%
Basic Financial Performance (Revenues/Profit Margin)	15%
o Simulation #3: Crisis Management and Response Presentation	15%

Individually-based Grade Components:

o Peer Evaluations	5%
o Class Participation	15%
Contribution to Class Discussions	10%
Attendance*	5%
o Final ‘Situation Analysis’	20%

TOTAL: 100%

* All students will be allowed one unexcused absence for the semester. Additional unexcused absences will result in the deduction of 1% from the attendance score per occurrence (including negative numbers).

Your grades will be posted on Canvas.

THERE ARE **NO** FORMAL EXAMS OR TESTS IN THIS CLASS, INCLUDING NO MID-TERM OR FINAL EXAM. THIS COURSE **WILL** MAKE USE OF PLUS/MINUS GRADES.

Situation Analysis

You will be provided with the Situation Analysis topic one week before it is due. For this individual assignment, you will be presented with a business situation that integrates many of the concepts presented throughout the course and be expected to turn in an analysis of the situation and recommendations in a format not to exceed 2 single-spaced type-written pages and one page of exhibits.

GROUP ACTIVITIES

The class will be divided into groups of four to six students for group projects. You will have three major group assignments during the semester, which together are worth 60% of your grade. Group tasks are common in business, so your group assignments in the class will be a useful learning experience. Your first group assignment will involve forming and raising money for a new global business venture. The second group assignment will evaluate you on how successfully you manage and grow your fledgling business. The final group assignment will evaluate how well you manage your business through its first real crisis. At the end of the semester, you will be asked to provide confidential assessments of each of your group members' performance (not including your own). Your peer evaluation score will contribute 5% towards your final grade. A group may, with my permission, "fire" a group member at any time during the semester. An individual may also, with my permission, "resign" from a group at any time during the semester. In either case, that individual must then persuade another group to "hire" him/her or complete the assignments independently.

Every member of a group **MUST** participate in all oral presentations given by a group. Your attire for a presentation should be appropriate to the situation.

Simulation #1 – Business Plan/Performance to Fundraising Goals

Simulation #1a

For this assignment, you will be required to submit an executive summary of your new business venture that contains all of the appropriate information as described in class. The executive summary should be no more than 10 double-spaced pages, exclusive of exhibits and appendices. Your basic business concept must be approved by me and meet the following criteria: 1) involve the sale of a product or service to consumers in a specific market segment outlined by me; 2) involve a product of potentially international appeal. To this effect, you must submit a short summary to me on or before **September 15th** describing: 1) your basic product concept; and 2) planned division of labor for the group activities. Grading for this assignment will be based on my personal evaluation of your teams' business executive summaries.

Simulation #1b

For this assignment, your group will give an oral presentation to a panel of venture capitalists, investment bankers and angel investors from the Austin business community requesting funding for your new business venture. The oral presentation should last approximately 15 minutes, including questions and answers. Grading for this assignment will be based as follows: 50% = my personal evaluation of your team's presentation; 50% = your team's performance to fundraising objectives. Please bring at least one copy of any presentation materials used at the beginning of your presentation for my personal use.

CAUTION: Take great care in determining your fundraising requirements and goals as this will impact your businesses for the duration of the course.

The purpose of the first simulation is three-fold. First, it will enable you to develop your skills in business concept and plan development, including several areas of international business such as foreign market analysis and global supply chain management. Second, you will acquaint yourself with various fundraising strategies. Finally, you will benefit from the experience you gain presenting to real-world investors.

Simulation #2 – Business Profitability Review

For this assignment, each group will have the opportunity to ‘sell’ their product to a simulated group of ‘customers’ from their target market both local to Austin, across the US, and in several foreign countries. Exact marketing and selling techniques will be ‘for sale’ at various prices to your ventures. In addition, your sales, marketing and manufacturing options will also be predicated on your business plan and relative success in fundraising. Selling will begin on **October 27th – November 2nd** at midnight. ‘Customers’ will be granted a fixed disposable income and instructed to allocate all of their available funds to company products. As a deliverable for this project, you will be required to submit a set of financial statements. Your grade will be based on the following criteria: 25% = quality/completeness of financial statements; 25% = profitability/gross margin of your enterprise; 50% = total revenues for the period. As a result, 75% of your grade for this simulation will be determined by your ability to convince prospects to buy your product instead of those of opposing teams. Reports will be provided daily on sales.

The purpose of this simulation is three-fold. First, it will enable you to develop your sales and marketing skills in an international context. Second, you will be forced to make complicated trade-off decisions with ambiguous information to grow your business in an international environment. Finally, you will be exposed to the challenges of preparing financial statements.

Simulation #3 – Crisis Management and Response

For this assignment, each of your companies will be presented with their first major international crisis. You will have one week to prepare a comprehensive response and business continuity plan. Your team will be responsible for presenting a crisis action plan in class to a group of independent panelists. The oral presentation should last approximately 15 minutes, including questions and answers. Grading for this assignment will be based as follows: 50% = my personal evaluation of your team’s action response plan; 50% = the panel’s rating of your presentation and crisis response plan. Please bring at least one copy of any presentation materials used at the beginning of your presentation for my personal use.

The purpose of this analysis is two-fold. First, it will enable you to develop your skills in international business decision-making. Second, you will be able to apply basic crisis management concepts in a simulated real-world setting.

Class Participation

Since so much of your learning in this course will come from in-class discussions of cases and business situations, class contribution/participation is an important component in determining your grade. The quality of your contribution will be directly related to your preparation for class before each discussion. Therefore, it is **IMPERATIVE** that you prepare thoroughly for each class

discussion with notes to guide you when applicable.

I will evaluate your performance after each class meeting. I will call on you in class and you will be expected to provide relevant and original answers. You may have one "question free" day during the semester. On this day I will not call on you in class. To exercise your "question free" option you must inform me prior to class on the day you do not wish to be called on.

Keep in mind that quantity of discussion is not a substitute for quality of discussion. At the same time, attendance is NOT a substitute for contribution: you must **contribute** verbally in class to earn points toward your class contribution grade.

Group Tool – Canvas

We will be using Canvas to support our classroom activities over the course of the semester.

Other Class Information

I reserve the option of giving additional reading assignments in order to evaluate (and encourage) your preparation for class.

You should bring a copy of any materials to be covered in a class to the class session during which they are scheduled to be discussed.

The assignments scheduled are the ONLY components of your grade in the course. Other assignments to improve your grade will not be accepted and should not be requested.

LATE ASSIGNMENTS

No work will be accepted after the end of class on the day the assignment is due unless prior arrangements have been made with me. Work submitted late will receive a grade of ZERO.

ATTENDANCE

Since class contribution is such an important component of your grade, and more importantly, your learning in this class, attendance is mandatory. You will be allowed one absence to be used as you wish, including illness, job interviews, religious holidays, and any other reason. **Each** further absence will result in one point being deducted from your final grade in the course.

It is also important that you be prompt to class. Being late to class disrupts the other students and interrupts the discussion. Please make every effort to be in class and ready to participate when class starts. Persistent tardiness will constitute a missed class on your attendance record. **It is your responsibility to ensure that you sign the attendance sheet and make sure that it is correct each week.**

Important Notifications

Students with Disabilities

Students with disabilities may request appropriate academic accommodations from the Division of Diversity and Community Engagement, Services for Students with Disabilities, 512-471-6259, <http://diversity.utexas.edu/disability/>.

Diversity & Inclusion

It is my intent that students from all diverse backgrounds and perspectives be well served by this course, that students' learning needs be addressed and that the diversity that students bring to this class can be comfortably expressed and be viewed as a resource, strength and benefit to all students. Please come to me at any time with any concerns.

Religious Holy Days

By UT Austin policy, you must notify me of your pending absence at least fourteen days prior to the date of observance of a religious holy day. If you must miss a class, an examination, a work assignment, or a project in order to observe a religious holy day, you will be given an opportunity to complete the missed work within a reasonable time after the absence.

Policy on Scholastic Dishonesty

The McCombs School of Business has no tolerance for acts of scholastic dishonesty. The responsibilities of both students and faculty with regard to scholastic dishonesty are described in detail in the BBA Program's Statement on Scholastic Dishonesty at <http://my.mcombs.utexas.edu/BBA/Code-of-Ethics>. By teaching this course, I have agreed to observe all faculty responsibilities described there. By enrolling in this class, you have agreed to observe all student responsibilities described there. If the application of the Statement on Scholastic Dishonesty to this class or its assignments is unclear in any way, it is your responsibility to ask me for clarification. Students who violate University rules on scholastic dishonesty are subject to disciplinary penalties, including the possibility of failure in the course and/or dismissal from the University. Since dishonesty harms the individual, all students, the integrity of the University, and the value of our academic brand, policies on scholastic dishonesty will be strictly enforced. You should refer to the Student Conduct and Academic Integrity website at <http://deanofstudents.utexas.edu/conduct/> to access the official University policies and procedures on scholastic dishonesty as well as further elaboration on what constitutes scholastic dishonesty.

Sharing of Course Materials

No materials used in this class, including, but not limited to, lecture hand-outs, videos, assessments (quizzes, exams, papers, projects, homework assignments), in-class

materials, review sheets, and additional problem sets, may be shared online or with anyone outside of the class unless you have my explicit, written permission. Unauthorized sharing of materials promotes cheating. It is a violation of the University's Student Honor Code and an act of academic dishonesty. I am well aware of the sites used for sharing materials, and any materials found online that are associated with you, or any suspected unauthorized sharing of materials, will be reported to Student Conduct and Academic Integrity in the Office of the Dean of Students. These reports can result in sanctions, including failure in the course.

Class Recordings

Class recordings are reserved only for students in this class for educational purposes and are protected under FERPA. The recordings should not be shared outside the class in any form. Violation of this restriction by a student could lead to Student Misconduct proceedings.

Campus Safety

Please note the following key recommendations regarding emergency evacuation, provided by the Office of Campus Safety and Security, 512-471-5767, More info at: <https://preparedness.utexas.edu/>.

- Occupants of buildings on The University of Texas at Austin campus are required to evacuate buildings and assemble outside when a fire alarm is activated.
- Familiarize yourself with all exit doors of each classroom and building you may occupy.
- If you need evacuation assistance, inform the instructor in writing asap.
- In the event of an evacuation, follow the instruction of faculty or class instructors.
- Do not re-enter a building unless given instructions by Austin or UT police or fire authorities.
- Behavior Concerns Advice Line (BCAL): 512-232-5050 or [on-line](#).
- In case of emergency, further information will be available at: <http://www.utexas.edu/emergency>.

Title IX Reporting

Title IX is a federal law that protects against sex and gender-based discrimination, sexual harassment, sexual assault, sexual misconduct, dating/domestic violence and stalking at federally funded educational institutions. UT Austin is committed to fostering a learning and working environment free from discrimination in all its forms. When sexual misconduct occurs in our community, the university can:

1. Intervene to prevent harmful behavior from continuing or escalating.
2. Provide support and remedies to students and employees who have experienced harm or have become involved in a Title IX investigation.
3. Investigate and discipline violations of the university's relevant policies.

Beginning January 1, 2020, Texas Senate Bill 212 requires all employees of Texas universities, including faculty, report any information to the Title IX Office regarding sexual harassment, sexual assault, dating violence and stalking that is disclosed to them. Texas law requires that all employees who witness or receive any information of this type (including, but not limited to, writing assignments, class discussions, or one-on-one conversations) must be reported.

I am a Responsible Employee and must report any Title IX related incidents that are disclosed in writing, discussion, or one-on-one. Before talking with me, or with any faculty or staff member about a Title IX related incident, be sure to ask whether they are a responsible employee. If you would like to speak with someone who can provide support or remedies without making an official report to the university, please email advocate@austin.utexas.edu. For more information about reporting options and resources, visit <http://www.titleix.utexas.edu/>, contact the Title IX Office via email at titleix@austin.utexas.edu, or call 512-471-0419.

Although graduate teaching and research assistants are not subject to Texas Senate Bill 212, they are still mandatory reporters under Federal Title IX laws and are required to report a wide range of behaviors we refer to as sexual misconduct, including the types of sexual misconduct covered under Texas Senate Bill 212. The Title IX office has developed supportive ways to respond to a survivor and compiled campus resources to support survivors.

McCombs Classroom Professionalism Policy

The highest professional standards are expected of members of the McCombs community. The collective class reputation and the value of the McCombs experience hinges on this. Please let me know right away if this ever is not the case.

Faculty are expected to be professional and prepared to deliver value for each and every class session. Students are expected to be professional in all respects. Classroom expectations of students include:

- Students will arrive on time and be fully prepared for each class.
- Students will attend the class section to which they are registered.
- Students will respect the views and opinions of their colleagues. Disagreement and debate are encouraged. Intolerance for the views of others is unacceptable.

Phones and wireless devices are turned off unless otherwise instructed by the professor.

Classroom Safety and COVID-19

To help preserve our in person learning environment, the university recommends the following.

- Adhere to university [mask guidance](#).
- [Vaccinations are widely available](#), free and not billed to health insurance. The vaccine will help protect against the transmission of the virus to others and reduce serious symptoms in those who are vaccinated.

- **Proactive Community Testing** remains an important part of the university's efforts to protect our community. Tests are fast and free.

Visit protect.utexas.edu for more information.

COURSE FLAGS

This course carries the Independent Inquiry flag. Independent Inquiry courses are designed to engage you in the process of inquiry over the course of a semester, providing you with the opportunity for independent investigation of a question, problem, or project related to your major. You should therefore expect a substantial portion of your grade to come from the independent investigation and presentation of your own work.

FINAL COMMENTS

Global Entrepreneurship will be one of the most difficult, demanding, and frustrating courses in your business education. It involves a mindset that forces you to integrate, to be imaginative, and to be decisive in situations with limited information. Developing a mindset, a way of thinking, is much more difficult than learning specific information or techniques. You must learn to think analytically. You may find the course requirements and the evaluation to be very demanding as well as ambiguous. However, facing demands in a real-world setting is the surest way I know of to learn and grow. At the same time the course is difficult, it will give you valuable insight into the real world that will benefit you as you pursue an entrepreneurial career in an increasingly global economy. Finally, this course can be very enjoyable. Despite some of the formal and stringent rules in the course, much of the class discussion can be spontaneous and creative. More than most other courses you have had in college, your learning will be determined more by what you do than what I as the instructor can teach you. I can simply guide. If you will commit yourself to preparation, apply yourself to the tasks at hand, and then open yourself up to learn what you can from the process and from other students I think you will find this among the most enjoyable and worthwhile courses you will have in your business education.

Tentative Course Schedule

Date	Topics	Readings	Assignments Due
8/25	Numbers Guessing Game Syllabus Review Introductions Rules of Engagement Group Formation What is a Case? Anatomy of a Start-Up Anatomy of an Entrepreneur Prior Year Graduates	None.	None.
9/1	Start-Up Innovation in the 21 st Century Brainstorming – The Product (International Considerations) TEAM DISCUSSION	Note on Business Model Analysis for the Entrepreneur Brainstorming for New Startup Ideas	None.
9/8	Lean Start-Up What is a Business Plan? Lean Start-Up Methodologies TEAM DISCUSSION	Why the Lean Start-Up Changes Everything Deloitte & Touche: Writing an Effective Business Plan How to Write a Great Business Plan	None.
9/15	Start-Up/Valuation & Financials Financials: Guest Speaker Market Analysis International Considerations Fundraising Essentials (International Considerations) How much money is enough?	Offshoring at Global Information Systems (Case) Sample Executive Summaries (on Blackboard) Sample Financial Statements (on Blackboard)	Simulation #1a Topic Due
9/22	Start-Up – The Pitch Preparing the Pitch Open Topic: Guest Speaker TEAM DISCUSSION	The Torturous World of Powerpoint FEED Resource Recovery (Case)	None.
9/29	Start-Up – The Pitch	None.	Simulation #1a PROJECT DUE Simulation #1b REHEARSAL DUE
10/6	Start-Up – The Pitch VC Presentations: Investor Panel / Fundraising Results	None.	Simulation #1b

10/13	Venture Financing / Management Term Sheet Analysis: Guest Speaker Supply Chain Management	Sample Term Sheets (on Blackboard) Jinwoong: Financing an Entrepreneurial Firm in the Wake of the Korean Financial Crisis (Case)	
10/20	Management Developing a Sales Pitch Selling Strategies & Models (International) Marketing Strategy Market Simulation Overview	Drop Box: It Just Works (Case)	None.
10/27	Management Companies – Meet Your Market Group Spend Decisions The Importance of Metrics What is a Scorecard? Project Management Basics Risk Management Strategies	The Balanced Scorecard: Measures that Drive Performance	Group Initial Spend Decisions Simulation 2 Begins
11/3	Crisis Management Results & Lessons Learned Alternate Approaches Types of Crises Response Basics International Labor Practices	Crisis & Response: Sexual Abuse Allegations in the Boston Archdiocese (Case)	Simulation 2 Results Simulation 3 Topics Assigned Situation Analysis Topic Assigned
11/10	Judgment and Wind-Down Start-up evaluation Winding Down a Business	PacNet (Case) Facebook (Case)	Final Situation Analysis
11/17	Guest Speakers	Entrepreneur Interviews	None.
12/1	Crisis Management Entrepreneurship The Company Life Cycle Wrap-Up & Final Grades	None.	Simulation 3