

INTERNATIONAL BUSINESS 372
Global Entrepreneurship
Spring 2018 (Unique #04765)
CBA 4.324 (M 5-8 PM)

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TEXTBOOKS

IB 372 Course Packet available through University Duplicating. **(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	15%
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 **February 12th** 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 **April 2nd – April 8th** 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.**

ACADEMIC HONESTY

Academic honesty is expected on all written assignments. This means that all individual work is INDIVIDUAL. You are not to discuss your case analysis or other individual assignments with other students in this class, other classes, classes from previous semesters, or any other student at this or other universities. You are also not to use materials from previous semesters, club/sorority/fraternity test files, study guides, or any other material pertinent to the cases unless you initiate that information yourself (i.e. library references). If you have ANY DOUBTS as to what is acceptable activity, ask me before proceeding. You diminish yourself and the University when you engage in any dishonest activity or submit anything other than purely original work. Any breach of this requirement will be penalized "to the full extent of the law". At the very least you will earn an F in the course, and you may be dismissed from the University. *By teaching this course, I have agreed to observe all of the faculty responsibilities described in that document. By enrolling in this class, you have agreed to observe all of the student responsibilities described in that document. If the application of that Policy Statement to this class and its assignments is unclear in any way, it is your responsibility to ask me for clarification. Policy on Scholastic Dishonesty: 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, and the integrity of the University, policies on scholastic dishonesty will be strictly enforced. You should refer to the Student Judicial Services website at <http://www.utexas.edu/depts/dos/> or the General Information Catalog to access the official University policies and procedures on scholastic dishonesty as well as further elaboration on what constitutes scholastic dishonesty.*

STUDENTS WITH DISABILITIES

Students with disabilities may request appropriate academic accommodations from the Division of Diversity and Community Engagement, Services for Students with Disabilities, 471-6259.

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.

Course Schedule

Date	Topics	Readings	Assignments Due
1/22	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.
1/29	Start-Up Innovation in the 21 st Century Brainstorming – The Product (International Considerations)	Note on Business Model Analysis for the Entrepreneur Brainstorming for New Startup Ideas	None.
2/5	Lean Start-Up What is a Business Plan? Lean Start-Up Methodologies	Why the Lean Start-Up Changes Everything Deloitte & Touche: Writing an Effective Business Plan How to Write a Great Business Plan	None.
2/12	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
2/19	Start-Up – The Pitch Working Through the Plan Preparing the Pitch	The Torturous World of Powerpoint FEED Resource Recovery (Case)	None.
2/26	Start-Up – The Pitch	None.	Simulation #1a PROJECT DUE Simulation #1b REHEARSAL DUE
3/5	Start-Up – The Pitch VC Presentations: Investor Panel / Fundraising Results	None.	Simulation #1b

3/19	Venture Financing / Management Term Sheet Analysis: Guest Speaker Supply Chain Management: Guest Speaker Market Simulation Overview	Sample Term Sheets (on Blackboard) Jinwoong: Financing an Entrepreneurial Firm in the Wake of the Korean Financial Crisis (Case)	
3/26	Management Developing a Sales Pitch Selling Strategies & Models (International): Guest Speaker Marketing Strategy	Drop Box: It Just Works (Case)	
4/2	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
4/9	Crisis Management Results & Lessons Learned Alternate Approaches Types of Crises Response Basics International Labor Practices Intellectual Property Assignment of Crises & ‘Situation Analysis’	Crisis & Response: Sexual Abuse Allegations in the Boston Archdiocese (Case)	Simulation 2 Results Simulation 3 Topics Assigned Situation Analysis Topic Assigned
4/16	Judgment and Wind-Down Start-up evaluation Exercises in business strategy Winding Down a Business	PacNet (Case) Facebook (Case)	Final Situation Analysis
4/23	Crisis Management Presentations: Business Panel		Simulation 3
4/30	Entrepreneurship The Company Life Cycle Wrap-Up & Final Grades	None.	