

CHINA BUSINESS

(MGNT4510)

Spring 2018

Wednesday, 10:30 AM – 1:15 PM: Esther Lee Bldg 403 (MGNT 4510B)
Thursday, 10:30 AM – 1:15 PM: An Integrated Teach Bldg G03 (MGNT 4510C)

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COURSE OVERVIEW

- **Course Description:** In today's business world, more and more organizations and managers start to realize the importance of responsible business---business beyond economic success and also responsible for various stakeholders---in order to foster long-term, sustainable success for any organization. Another crucial trend in management today is that organizations need to know more about the micro-foundations, that is, behavioral and psychological principles and mechanisms, behind their business. These are consistent with the notion that a, if not the, key to business success is through knowing about people (e.g., customers, managers, and employees). This course is accordingly designed as a selective survey of micro organizational behavior/human resource management and particularly the applications in the Chinese context in order to promote a deep understanding of the micro-foundation of responsible business in the Chinese context. Topics include: understanding people in China (e.g., individual differences, leadership, and motivation), understanding work in China (e.g., job design and teams), and understanding well-being in China.
- **Learning Objectives:** Students in this course are expected to: (1) garner a solid understanding of the basic concepts and theories of responsible business and micro-foundations of business, and their applications in the Chinese context and (2) obtain practical implications of the above topics in order to foster a deep understanding of responsible business in the Chinese context.
- **Course Format:** We meet once a week. At the heart of my teaching philosophy is that more knowledge can be acquired and retained in interactive classes and when associated with real life experiences. During my lectures, you are encouraged to ask questions. We will be engaging in discussions, debates, and/or other active learning tasks. You will be asked to do some of these active learning tasks outside the classroom in order to obtain first-hand experiences (e.g., assignments and team project).
- **CUSIS and E-learning:** We will use CUSIS and E-learning for our course. Here, you can obtain copies of the syllabus, class notes, and messages from me. Therefore you are encouraged to check them regularly.

RECOMMENDED TEXTBOOK

- No specific textbook will be used for this course. Instead, we will use Harvard cases and additional materials. You can purchase the Harvard cases online from Harvard Business Publishing (<https://cb.hbsp.harvard.edu/cbmp/pages/home>). Additional materials can be downloaded from E-learning.
- Eccles, R.G, Serafeim, G. & Cheng, B. (2013). *Foxconn Technology Group (A)*. Harvard Business Publishing, Product #: 112002-PDF-ENG.
- McFarlan, F.W., Zheng, X. & Zhao, Z. (2011) *The Haidilao Company*, Harvard Business Publishing, Product #: TU0021-PDF-ENG.
- Pucik, V., Xin, K., & Everatt, D. (2010) *Managing Performance at Haier (A)*, Harvard Business Publishing, Product #: IMD191-PDF-ENG
- Su, N., Bansal, P., & Laughland, P. (2016) *Alibaba Group: Technology, Strategy, and Sustainability*, Harvard Business Publishing, Product #: W16817-PDF-ENG

GRADING

- **Points System:** The point system used in this course is the following:

Assignments	=	20 pts (1 worth 20 points)
Team project	=	70 pts (each team member gets the same score in most circumstances)
Tests	=	70 pts (2 worth 35 points each)
Class participation	=	10 pts
Peer evaluation	=	15 pts
<u>Self reflection</u>	=	<u>15 pts</u>
Total	=	200 pts

- **Grade Descriptors**

- A : Outstanding performance on all learning outcomes
- A-: Generally outstanding performance on all (or almost all) learning outcomes
- B: Substantial performance on all learning outcomes, OR high performance on some learning outcomes which compensates for less satisfactory performance on others, resulting in overall substantial performance
- C: Satisfactory performance on the majority of learning outcomes, possibly with a few weaknesses
- D: Barely satisfactory performance on a number of learning outcomes
- F: Unsatisfactory performance on a number of learning outcomes, OR failure to meet specified assessment requirements

GRADE COMPONENTS

- **Assignments:** You will have 1 assignment worth 20 points. Descriptions and due dates for the assignment will be announced in class. The assignment should be printed out with no more than two single-space typed pages with 1 inch margins and 12 pt Times New Roman font. It must be submitted in class. Do NOT submit assignments by email unless you have received permission beforehand. ANY LATE ASSIGNMENTS WILL NOT BE ACCEPTED unless you have a valid excused absence (e.g., physician's letter or police report).
 - **Assignment:**
 - Job/Life Crafting (assigned when covering job design)
- **Team project:** You will form teams with 3-6 team members in the first week. The mission for your group is: Analyzes a responsible organization/business in the Chinese context, and provide suggestions for its future development. First, you are expected to describe what this organization/business is, its “actions and policies that take into account stakeholders” (e.g., owners, customers, employees, community, and the public at large) expectations”, and its “triple bottom line of economic, social, and environmental performance” (Aguinis, 2011, p. 855). Second, you need analyze why this organization/business adopts those actions and policies (e.g., maybe related to the founder’s values and the organizational culture, or shaped by the emerging industry norms) and how such actions and policies contributes to the “triple bottom line of economic, social, and environmental performance” (e.g., micro-foundations). Note that given no action or policy is perfect, you also need to analyze possible drawbacks or cost associated with those actions and policies. Third, you need provide suggestions for its future development, especially in light of the drawbacks associated with those actions and policies.
 - You will have the first informal team meeting in Week 1 (e.g., talking about your favorite movies), take a group photo and send the photo (with names for each team member) along with the list of favorite movies to our TA by Jan. 15 (5 points).
 - You will hand in your team charter (on Feb. 14 [for 4510B] and Feb. 22 [for 4510C]) and present your idea and action plan for the project in class on Feb. 14/22 (15 pts).
 - You will submit a project report with three segments (50 pts) and no more than 10 pages (single-space typed with 1 inch margins and 12 pt Times New Roman font; appendices do not count). The first segment will describe the organization/business, its actions and policies that are adopted to take care of the interests of various stakeholders and how it considers not only economic performance, but also social and environmental performance. You are expected to collect secondary data (e.g., through media reports,

books, and cases) and get your hands dirty to obtain first-hand information by interviewing employees and managers from this organization, or interviewing (or observing) customers and competitors to garner information from multiple perspectives. The second segment will look into the underlying reasons why this organization adopts these actions and policies and the pros and cons associated with them. You are encouraged to address this question from both macro (e.g., new trends in the industry) and micro perspectives (e.g., micro-foundations). For example, this may be related to the norm of the industry, or the specific economic situation. It may also be related to the founder's beliefs, the culture of the organization, a significant event in the history of this organization. In the third segment, you will provide constructive suggestions to this organization for future development. You need consider the advantages and disadvantages associated with the actions and policies, and the trend of the industry. You are also expected to compare this organization/business with competitors in and/or outside China to figure out its competitive advantages. Each group will hand in the report on March 28 and present the project in the class on April 11/12. Each team member will receive the same grade except in extenuating circumstances of severely imbalanced contributions (although I do NOT expect this to happen, come talk to me at least 2 weeks [by March 14] before the deadline if this is the case).

- **Tests:** You will have two tests with multiple choice questions and one short-answer question each on Feb. 7/8 and March 21/22.
- **Peer evaluation:** Donald O. Clifton (1924-2003), The Father of Strengths Psychology, argued that people have much more potential for growth when they invest in their strengths than when they spend all of their time trying to correct their weaknesses or deficiencies. In the meantime, psychological and management research suggests that feedback facilitates human development. Thus, at the end of this semester, you will provide feedback to each of your teammates on their greatest strength, how to further build the strength, and possible blind spots related to the strength. Your grade is dependent on the feedback you provide to your team members, NOT the feedback you received. The deadline is the class on March 21/22.
- **Self reflection:** Last but not least, you will reflect on your experiences in this class (e.g., lectures and team project) and hand in your reflection (no more than two single-spaced typed pages with 1 inch margins and 12 pt Times New Roman font). The deadline is the class on March 21/22.

MISCELLANEOUS POLICY INFORMATION

- **Policy on Academic Honesty and Plagiarism:** The Chinese University of Hong Kong places very high importance on honesty in academic work submitted by students, and adopts a policy of **zero tolerance** on cheating and plagiarism. Any related offence will lead to disciplinary action including termination of studies at the University. Attention is drawn to University policy and regulations on honesty in academic work, and to the disciplinary guidelines and procedures applicable to breaches of such policy and regulations. Details may be found at <http://www.cuhk.edu.hk/policy/academichonesty/>.

With each assignment, students will be required to submit a signed declaration that they are aware of these policies, regulations, guidelines and procedures. In the case of group projects, all students of the same group should be asked to sign the declaration, each of whom is responsible should there be any plagiarized contents in the group project, irrespective of whether he/she has signed the declaration and whether he/she has contributed directly or indirectly to the plagiarized contents.

For assignments in the form of a computer-generated document that is principally text-based and submitted via VeriGuide, the statement, in the form of a receipt, will be issued by the system upon students' uploading of the soft copy of the assignment. Assignments without the properly signed declaration will not be graded by teachers. Only the final version of the assignment should be submitted via VeriGuide.

The submission of a piece of work, or a part of a piece of work, for more than one purpose (e.g. to satisfy the requirements in two different courses) without declaration to this effect shall be regarded as having committed undeclared multiple submission. It is common and acceptable to reuse a turn of phrase or a sentence or two from

one's own work; but wholesale reuse is problematic. In any case, agreement from the course teacher(s) concerned should be obtained prior to the submission of the piece of work.

- **Classroom Behavior:** Remember that there are many students with different experiences and needs in one room. This class does not tolerate remarks that are sexist, racist, homophobic, or otherwise ridicule people. Further, it is important that we all respect what others are saying in class; therefore, please do not talk while others are speaking. All cell phones should be turned off during class. Students who do not follow these guidelines may be asked to leave class. Any contact with communication devices during an exam will result in a **failing** grade of the exam.
- **Attendance:** Attendance is strongly encouraged. You are adults and responsible for your own behaviors. I would like to see you in class because you are willing to, not because you have to. Most of the material (e.g., for exams) will only be presented in the lecture.

COURSE OUTLINE AND READINGS (SUBJECT TO CHANGE: WE MAY HAVE A GUEST LECTURE AND A COMPANY VISIT)

Week 1: Introduction

The East is Grey, *The Economist*, Aug. 10, 2013.

Pfeffer, J. & Sutton, B. (September, 3, 2011), Trust the Evidence, Not Your Instincts, *New York Times*

Elliott, M. (May 3, 2015). 5 Skills College Grads Need to Get a Job. *USA Today*.

Mintzberg, H. (2004) Wrong people, in *Managers Not MBAs: A Hard Look at the Soft Practice of Managing and Management Development*, pp. 9-19.

Week 2: Starting Off: Can China Innovate?

Abrami, R.M., Kirby, W.C., & McFarlan, F. W. (2014) Why China cannot innovate and what it's doing about it. *Harvard Business Review*, 92(3), 107-111.

WeChat's world: China's WeChat shows the way to social media's future, *The Economist*, Aug. 6th 2016.

Shenzhen is a hothouse of innovation: Copycats are out, innovators are in, *The Economist*, April 8th 2017.

Weeks 3 & 4: Understanding People in China: Individual Differences

Bear, D. (May 21, 2015). The Moment When I Understood the Untranslatable Chinese Word "Guanxi". *Business Insider*.

Many airlines shamelessly exploit female sexuality, *The Economist*, Dec. 16, 2016.

Gelfand, M. J., Raver, J. L., Nishii, L., Leslie, L. M., Lun, J., Lim, B. C., Duan, L., Almaliach, A., Ang, S., & Arnadottir, J. 2011. Differences between tight and loose cultures: A 33-nation study. *Science*, 332: 1100-1104.

Amabile, T. & Kramer S. (September 3, 2011). Do Happier People Work Harder? *New York Times*.

Casciaro, T., & Sousa-Lobo, M. (2005). Competent Jerks, Lovable Fools, and the Formation of Social Networks. *Harvard Business Review*, 83(6), 92-99.

Week 5: The First Test (Feb. 7/8) and Understanding People in China: Leadership

Chen, X. P. (2013) Company Culture and Values are the Lifelines of Alibaba—An interview with Jack Ma, Founder and Executive Chairman of Alibaba Group, *Chinese Management Insights*, 2, 1-21.

The Look of a Leader: Getting to The Top is as Much to do With How You Look as What You Achieve, *The Economist*, Sep. 27, 2014.

Case Analysis: *Alibaba Group: Technology, Strategy, and Sustainability*.

Weeks 6 & 7: Project Idea and Action Plan Presentation (Feb. 14 for 4510B, Feb. 22 for 4510C; 10 mins for each team); Public Holidays From Feb. 15-21, No Class.

Week 8: Understanding People in China: Motivation (assignment out)

De Cremer, David; Tao, Tian (2015) Huawei: A Case Study of When Profit Sharing Works *Harvard Business Review*, Sep. 24, 2-5.

Case Analysis: *The Haidilao Company*.

Weeks 9 & 10: Understanding Work in China: Job Design (assignment due)

Case Analysis: *Foxconn Technology Group (A)*

Wrzesniewski, A., Berg, J.M., & Dutton, J.E. (2010). Turn the Job You Have into the Job You Want. *Harvard Business Review*, 88(6), 114-117.

Buell, Ryan W., Tami Kim, and Chia-Jung Tsay. (November 2014) "Cooks Make Tastier Food When They Can See Their Customers." *Harvard Business Review* 92(11): 34–35.

Week 11: The Second Test (March 21/22) and Understanding Well-Being in China

Panda, A. (December 21, 2013). India and China Lead Global Rankings on Materialism, Economic Optimism. *The Diplomat*.

Kahneman, D., Krueger, A. B., Schkade, D., Schwarz, N., & Stone, A. A. (2006). Would you be happier if you were richer? A focusing illusion. *Science*, 312(5782), 1908-1910.

Week 12: Team Paper Due (March 28). No Class during the Reading Week (March 29-April 4, e.g., for 4510C)

For 4510B: Understanding Work in China: Teams and Groups

Surowiecki, J. (2004). The wisdom of crowds. In *The wisdom of crowds: Why the many are smarter than the few and how collective wisdom shapes business, economies, societies, and nations* (pp. 3-22). New York: Doubleday.

Week 13: No Class (April 5 is Ching Ming Festival, Public Holiday)

Week 14: Team Project Presentation (10 mins for each group)

Week 15: No Class (I am going out of town to Chicago for a conference)