

FITTskills Seventh Edition — Course Syllabus

Course: Feasibility of International Trade

Course Description:

The course *Feasibility of International Trade* examines the critical steps and decisions needed to determine the feasibility of potential international trade initiatives. Market research, analysis of organizational readiness, cost analysis, and risk analysis are all required in order to decide if a concept fits with a company's strategic direction and improves the bottom line of an organization. Risk analysis then leads to the development of strategies to mitigate identified risks.

The *Feasibility of International Trade* course is a key course in the Seventh Edition of the FITTskills Program, which has been designed for the independent self-directed learner who is an international trade practitioner with a minimum of two to five years of experience. The FITTskills Program has been developed so that you as a practitioner can ensure you have all the competencies required to take advantage of international trade opportunities.

Modules in this Course:

SITUATIONAL ANALYSIS: Determining Current State and Opportunities for Growth

COST AND PRICING ANALYSIS: Analyzing the Numbers

RISK ANALYSIS AND MANAGEMENT: Analyzing and Mitigating Risks in International Trade

Pre-Requisites:

- There are no recommended courses prior to the *Feasibility of International Trade* course. The *Feasibility of International Trade* course is the foundational course in the FITTskills Program.
- The *Feasibility of International Trade* course assumes you have the necessary basic business and trade knowledge and skills needed for domestic trade, as these fundamentals are not covered in the FITTskills Program.

Feasibility of International Trade – Course Syllabus

Course Learning Outcomes:

Upon successful completion of this course, you will be able to:

1. Conduct thorough research and analysis to determine the viability of a prospective international initiative and its possible components.
 - a. Assess organizational readiness for new international trade initiatives.
 - b. Screen possible target markets to determine most viable markets for designated initiatives.
 - c. Conduct market research for identified potential import and /or export ventures.
2. Conduct cost benefit analysis for importing and/or exporting potential products and services.
3. Identify and analyze potential risks of international initiatives.
4. Determine if the potential gains and opportunities of the venture outweigh the possible risks.
5. Develop and implement strategies and activities to monitor and manage identified risks.

When you begin the course, you will find there are also detailed learning outcomes for each of the three modules in the course.

Schedule:

You can begin any time. Learners must complete the course within three months of registration.

Course Format:

You have three months to work through the self-led course and complete the final assessment at your own pace. You'll receive your topic-specific textbook in eBook format. At the end of your learning, you can write the summative exam for the course.

Registration in this course provides you with access to additional learning resources, such as guiding notes, case studies, sample exam questions and the answers to the exercises in the textbook. These additional resources provide you with an opportunity to apply your learning and verify your progress. Although access to these resources are provided, the only requirement to complete the course is successfully passing the exam.

Feasibility of International Trade – Course Syllabus

Learning resources:

The course includes extensive content about the feasibility of international trade as an integral part of international trade. It also offers:

- An initial checklist for you to ‘Reflect on Your Experience’ to help you decide which sections you need to spend most time on, and where you may have previous learning
- Case examples that demonstrate innovative and good business practices, global examples and lessons from the field
- Many sample documents to illustrate requirements and good practice within the global value chain
- Sections that help you to consolidate and apply your learning at the end of each unit of each module
- Opportunities for extended learning at the end of each unit of each module to broaden the scope of your application, and to help you relate the learning to specific situations
- A list of ‘Recommended Resources’ for additional reading and learning on the topics

Assignments & Formative Assessments:

In addition to the sections in each unit to help you apply your learning and to extend your learning to various situations, there is a Final Check at the end of each module. This multiple-choice quiz for the module provides sample questions and answers for you to prepare for the summative exam. These questions have also been provided as an interactive quiz on the learning platform.

Summative/Final Assessment:

Once you are ready, you can write the course evaluation. This is a standardized open-book exam consisting of 45 multiple choice questions. Learners must complete this exam online within three hours. You can write your exam at any time as long as it is done before the deadline.

To access the examination:

1. Go to www.FITTforTrade.com
2. Under SIGN IN, enter your FITT ID and password
3. Click the **FITT Students** menu (left-vertical menu), then **Online Exam Centre** and then **Login now to begin your exam**—this will redirect you to the online exam center

For the course *Feasibility of International Trade*, you have the option of completing a course project instead of the exam. The project for this course involves various steps to develop and submit an International Research Plan. To obtain more information, reference the document

Feasibility of International Trade – Course Syllabus

Feasibility of International Trade – Project Requirements. Please advise info@fitt.ca if your preference is to complete the project instead of the online exam. You cannot complete both options.

A credit is awarded when learners achieve a ‘pass’ or ‘pass with distinction’ grade on either the exam or the project (see table). These credits count towards obtaining FITT business credentials.

Pass with Distinction	PWD	85% or higher
Pass	P	65%-84%
Fail	F	64% or less

FITT Educational and Professional Credentials:

FITT offers three international business credentials based on the global trade competencies acquired through the FITTskills Program. The credentials are proof of an individual’s level of knowledge and expertise in global trade. Each is achieved based on the following criteria:

FITT Certificate in International Trade

Presented to individuals who have successfully completed any three FITTskills courses, or equivalency thereof (3 credits)

FITT Diploma in International Trade

Presented to individuals who have successfully completed all six FITTskills courses, or equivalency thereof (6 credits)

Certified International Trade Professional (CITP®|FIBP®) designation can be applied for by individuals who have:

- Earned their FITT Diploma
- Achieved FITT’s practical work experience requirement of at least one full year
- Endorsed the CITP®|FIBP® Standards of Ethical Conduct
- Committed to ongoing professional development in the discipline of international business

Policies:

1. **Deferral Policy:** A request for an assessment deferral must be submitted to FITT in advance of the assessment deadline. Students may request a deferral for up to 30 days at one given time. A maximum of three (3) deferrals per assessment is permitted. This deferral policy

Feasibility of International Trade – Course Syllabus

applies to all FITT assessments and rewrite assessments. You can request a deferral by completing an **Assessment Deferral Form**.

2. **Rewrite Policy:** You are eligible to re-write a failed FITTskills assessment within 90 days of the original deadline. There is no limit to the number of times an assessment can be re-written. However, each re-write must take place within 90 days of the previous rewrite deadline, and there is a fee of \$100 plus applicable taxes per re-write. You can request to re-take an assessment by completing an **Assessment Registration Form**.
3. **Non-Disclosure Agreement:** The answers to the exercises, case studies and final check questions are confidential and proprietary. You are expressly prohibited from disclosing, publishing, reproducing, or transmitting the content, or substantially similar content, of this document, in whole or in part, in any form or by any means, verbal or written, electronic or mechanical, for any purpose. By registering in this course, you agree not to disclose, publish, reproduce, or transmit the content, or substantially similar content, of this document, in whole or in part, in any form or by any means, verbal or written, electronic or mechanical, for any purpose. Violators will be prosecuted.
4. **Printing of Material:** Printing is for personal, private use only. No part of the material on this platform may be reproduced or transmitted without FITT's prior permission. Violators will be prosecuted.

Table of Contents: FITTskills Feasibility of International Trade

Getting Started

Forward

What's New

The Modular Approach

Reflect on Your Experience

Cross-Modular References

Apply Your Learning

Extended Learning

Recommended Resources

Background: Feasibility of International Trade

Organization of Text

Course Learning Outcomes

Module—Situational Analysis: Determining Current State and Opportunities for Growth

Introduction

Module Learning Outcomes

Reflect on Your Experience

Unit 1: Assessing Organizational Readiness

Why Is This Important?

Determining Why and Who

Characteristics of Export-Ready Organizations

Assessing Current State

Using Change Readiness Tools

Defining Impact

Addressing Gaps

Apply Your Learning

Extended Learning

Unit 2: Planning International Market Research

Why Is This Important?

Describing Market Intelligence and Competitive Intelligence

Describing the Overall Research Process

STAGE 1: Define the Research Objectives

Starting with a Problem or Opportunity

Key Research Issues for Exporters

Key Research Issues for Importers
Research Issues for Foreign Direct Investment
Types of Research Requirements
STAGE 2: Create a Research Brief
Important Considerations in International Trade Research
Apply Your Learning
Extended Learning

Unit 3: Screening Potential Markets: Narrowing the Focus

Why Is This Important?
STAGE 3: Screen Potential International Markets
Secondary and Primary Research
Apply Your Learning
Extended Learning

Unit 4: Selecting Research Design and Conducting Secondary Research

Why Is This Important?
STAGE 4: Select the Research Design and Data Sources
Types of Research
Data Sources
About Secondary and Primary Research
Conducting Secondary Research
Apply Your Learning
Extended Learning

Unit 5: Collecting Data for Primary Research

Why Is This Important?
STAGE 5: Design Data Collection Tools and Collect Primary Data
Deciding Who Will Collect the Primary Data
Collecting Primary Data Through Focus Groups
Collecting Primary Data Through Questionnaires and Surveys
Collecting Primary Data Through Interviews
Collecting Primary Data Through Observation
Visiting the Target Market
Sampling Plans for Primary Research
Apply Your Learning
Extended Learning

Unit 6: Organizing Data and Presenting Conclusions

Why Is This Important?
STAGE 6: Organize and Analyze the Data

Assess the Quality and Reliability of the Data
Sort and Classify the Data
Perform Statistical Tests and Analyze the Results
STAGE 7: Present Conclusions and Apply the Research
Ongoing Research and Global Market Information
Management Systems
Apply Your Learning
Extended Learning

Module Summary

Final Check
Recommended Resources
Glossary

Appendices

Appendix A: Global Trade Readiness Checklist
Appendix B: Profiling Potential Markets

Notes

Module—Cost and Pricing Analysis: Analyzing the Numbers

Introduction
Module Learning Outcomes
Reflect on Your Experience

Unit 1: Conducting Cost and Pricing Analysis for Exporting Products

Why Is This Important?
The Process of Analyzing Export Cost and Pricing
Trade Terms and How They Affect Costing
The Harmonized Commodity Description and Coding System and How It Affects Costing
STEP 1: Determine the Cost of Exporting
STEP 2: Elaborate a Pricing Strategy
STEP 3: Assess the Viability of the Transaction
Apply Your Learning
Extended Learning

Unit 2: Conducting Cost and Pricing Analysis for Importing Products

Why Is This Important?
The Process of Analyzing Import Cost and Pricing
The Cost of Sourcing Products
Incoterms® Rules and Importing

HS Codes and Tariffs

Taxes and Fees Related to Imported Products

Product Standards and Certifications

STEP 1: Determine the Cost of Importing

STEP 2: Elaborate a Pricing Strategy

STEP 3: Assess the Viability of the Transaction

Apply Your Learning

Extended Learning

Unit 3: Conducting Cost and Pricing Analysis for Exporting Services

Why Is This Important?

The Process of Analyzing Service Export Cost and Pricing

Considerations When Trading in Services

Delivering Services Internationally

Marketing Services Internationally

Legal Issues Related to the Export of Services

Regulations and Taxes on Services

Payment for Exported Services

STEP 1: Determine the Cost of Exporting Services

STEP 2: Elaborate a Pricing Strategy

STEP 3: Assess the Viability of the Transaction

Apply Your Learning

Extended Learning

Unit 4: Conducting Cost Analysis for Outsourcing Services Internationally

Why Is This Important?

Determining What Can Be Outsourced

The Cost of Finding Service Providers

Outsourcing and GATS

Cost Considerations When Outsourcing

Comparing Outsourcing to Insourcing Costs

Identifying Benefits

Apply Your Learning

Extended Learning

Module Summary

Final Check

Recommended Resources

Glossary

Appendices

Appendix A: Export of Goods Costing Sheet

Appendix B: Import of Goods Costing Sheet

Appendix C: Export of Services Costing Sheet

Appendix D: Outsourcing Versus Insourcing Costing Sheet

Notes

Module—Risk Analysis and Management: Analyzing and Mitigating Risks in International Trade

Introduction

Module Learning Outcomes

Reflect on Your Experience

Unit 1: The Risk Management Process

Why Is This Important?

Risk Management Cycle

STEP 1: Identify Issues and Set Context

STEP 2: Identify Key Risks

STEP 3: Measure Probability and Impact

STEP 4: Rank Potential Risks

STEP 5: Specify Desired Outcomes

STEP 6: Develop Options

STEP 7: Select a Strategy

STEP 8: Implement the Plan and Its Strategies

STEP 9: Monitor, Evaluate and Adjust

Apply Your Learning

Extended Learning

Unit 2: Analyzing and Mitigating Currency/Foreign Exchange Risk

Why Is This Important?

What Is Currency/Foreign Exchange Risk?

The Risk Management Process and Currency/Foreign Exchange Risk

Reviewing Currency/Foreign Exchange Risk Data

The Reference Rate of Exchange

Measuring Sensitivity of Profit Margins to FX Fluctuations

Identifying the Time Horizon

Calculating an Organization's FX Position

Mitigating FX Risk Through Hedging Strategies

Managing Settlement Dates with FX Swaps

The FX Hedging Ratio
Approaches to FX Hedging
Solutions Other Than Hedging Instruments
Formulating a FX Policy
Implementing and Monitoring an FX Policy
Apply Your Learning
Extended Learning

Unit 3: Analyzing and Mitigating Political Risk

Why Is This Important?
What Is Political Risk?
The Risk Management Process and Political Risk
Review Historic and Current Data Related to Political Risk
Identify Key Risks and Measure Probability and Impact
Rank Potential Risks and Specify Desired Outcomes
Develop Options and Select Strategies
Implement the Strategies
Monitor, Evaluate and Adjust
Apply Your Learning
Extended Learning

Unit 4: Analyzing and Mitigating Economic Risk

Why Is This Important?
What Is Economic Risk?
The Risk Management Process and Economic Risk
Review Historic and Current Data Related to Economic Risk
Identify Key Risks and Measure Probability and Impact
Rank Potential Risks and Specify Desired Outcomes
Develop Options and Select Strategies
Implement the Strategies
Monitor, Evaluate and Adjust
Apply Your Learning
Extended Learning

Unit 5: Analyzing and Mitigating Social Risk

Why Is This Important?
What Is Social Risk?
The Risk Management Process and Social Risk
Review Historic and Current Data Related to Social Risk
Identify, Measure and Rank Potential Risks
Develop Options and Select Strategies

Implement the Strategies
Monitor, Evaluate and Adjust
Apply Your Learning
Extended Learning

Unit 6: Analyzing and Mitigating Commercial Risk

Why Is This Important?
What Is Commercial Risk?
The Risk Management Process and Commercial Risk
Review Commercial Risk Data
Identify Key Risks and Measure Probability and Impact
Rank Potential Risks and Specify Desired Outcomes
Develop Options and Select Strategies
Implement the Strategies
Monitor, Evaluate and Adjust
Apply Your Learning
Extended Learning

Unit 7: Analyzing and Mitigating Foreign Physical Asset Risk

Why Is This Important?
What Is Foreign Physical Asset Risk?
The Risk Management Process and Foreign Physical Asset Risk
Review Foreign Physical Asset Risk Data
Identify Key Risks and Measure Probability and Impact
Rank Potential Risks and Specify Desired Outcomes
Develop Options and Select Strategies
Implement the Strategies
Monitor, Evaluate and Adjust
Apply Your Learning
Extended Learning

Unit 8: Analyzing and Mitigating Personnel Risk

Why Is This Important?
What Is Personnel Risk?
The Risk Management Process and Personnel Risk
Review Personnel Risk Data
Identify Key Risks and Measure Probability and Impact
Rank Potential Risks and Specify Desired Outcomes
Develop Options and Select Strategies
Implement the Strategies
Monitor, Evaluate and Adjust

Apply Your Learning

Extended Learning

Unit 9: Analyzing and Mitigating Technology Risk

Why Is This Important?

What Is Technology Risk?

The Risk Management Process and Technology Risk

Review Technology Risk Data

Identify Key Risks and Measure Probability and Impact

Rank Potential Risks and Specify Desired Outcomes

Develop Options and Select Strategies

Implement the Strategies

Monitor, Evaluate and Adjust

Apply Your Learning

Extended Learning

Unit 10: Analyzing and Mitigating Intellectual Property Risk

Why Is This Important?

What Is Intellectual Property Risk?

The Risk Management Process and Intellectual Property Risk

Review Intellectual Property Risk Data

Identify Key Risks and Measure Probability and Impact

Rank Potential Risks and Specify Desired Outcomes

Develop Options and Select Strategies

Implement the Strategies

Monitor, Evaluate and Adjust

Apply Your Learning

Extended Learning

Module Summary

Final Check

Recommended Resources

Glossary

Appendices

Appendix A: Risk Charting Template

Appendix B: Risk or Threat Profile Tables

Notes

Index