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## **BINH PHUOC**

### **A NEW PLAYER IN VIETNAM'S DYNAMIC ECONOMIC REGION OF THE SOUTH <sup>1</sup>**

#### **Issues to consider when discussing and preparing the case**

Analyze the case from both the investor's and provincial leaders' perspectives. Consider the questions that are raised in the case. Many of them are repeated or reframed, below. Answer these questions and include detailed analysis to support your answers.

- Should Binh Phuoc focus on public works projects or FDI?
- If Binh Phuoc chooses to attract more foreign and domestic investors, does the welfare of Binh Phuoc depend upon the profitability of those investors?
- What type of support, precisely, should be given to foreign investors such as John Schmidt and JSIH?
- Do you think Binh Phuoc policies and practices indicate an appropriate level of market/customer orientation?
- What are Binh Phuoc's core assets? Viewed another way, what conclusions can you draw from a SWOT analysis of Binh Phuoc?
- Does Binh Phuoc have a "brand image"? What is it, if you think one exists?
- Against what other places is Binh Phuoc competing for FDI? What differential advantages does Binh Phuoc have? How would you leverage them, if one or more of them exist(s)?
- What is your recommendation, if any, for an investment project, funded by JSIH? Why? Note: you must commit either (1) to reject any investment by JSIH or (2) to make an investment recommendation based on only one of Mr. Schmidt's professional interests.
- If JSIH does invest, should Binh Phuoc allow direct competitors to its endeavor enter the province?
- What is your assessment of the organizational culture of Binh Phuoc's leadership? How does it compare to the organizational culture of leaders from other provinces with which you are familiar?

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<sup>1</sup> Working Case: quote or copy only with permission of authors and FETP.

- Do the new government buildings impress foreign investors or suggest to investors that priorities may differ or that scarce resources are not managed optimally?
- What is the extent to which investors should have control of a project in Binh Phuoc, or any other province in Vietnam?
- Are win-win outcomes possible from a JSIH venture in Binh Phuoc? If yes, describe those outcomes.

**Teaching considerations:** The case has been written to enable students to see a Vietnamese province through the eyes of a potential investor, but also with sensitivities to local perspectives. If students do not learn to view their place from customers' perspectives, they will have difficulty attracting FDI and keeping investors, once they return to their provinces. Students should do SWOT and/or differential advantage analyses, and frame their thinking around the questions, above, as well as the questions throughout the case. Ultimately, students must commit either (1) to reject any investment by JSIH or (2) to make an investment recommendation based on only one of Mr. Schmidt's professional interests. Detailed support should be given for their recommendation. If we intend to publish the case it will have to be developed further (and I think it can be developed further); in that instance, the case would benefit from some discussion of the history and development of Binh Phuoc, the DERS and Vietnam's transition, more broadly.