

## FITTskills Edition 7.1 — 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 Edition 7.1 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](http://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](mailto: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

Features

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