

Concordia University
John Molson School of Business
MSCA 652R
ESSENTIALS OF ENTREPRENEURSHIP
Fall 2009

Professor: Pramodita Sharma
Time: Monday, 11:45-2:15
Location: MB S2 – Room 105 (tentative)
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Course Overview and objectives

This overview seminar course in entrepreneurship examines the foundational and current literatures with an aim to understand and address questions such as:

- What is entrepreneurship?
- How does it influence the longevity of private or public sector enterprises?
- Can for-profit *or* not-for profit firms sustain without being entrepreneurial?
- Why do some individuals engage in entrepreneurial activities while others don't?
- What are the different pathways to nurture and exploit an individuals' entrepreneurial spirit?
- What forms of capital are required at different stages in the life cycle of an entrepreneurial firm?
- How can entrepreneurs meet their needs for financial, human, social, emotional, intellectual capital required for their ventures?
- Can entrepreneurship be learned, borrowed, or outsourced?

The overarching aim of the course is to expose students to the fundamentals of entrepreneurial success in a large spectrum of organizational contexts including small new ventures, existing small ventures, franchise operations, family firms, multinationals and voluntary organizations, in private-held and publicly traded, profit and not-for profit sectors. The course will draw and build upon your previous educational and work experiences.

By the end of the course, each student will develop a case study of a private *or* public firm in for-*or* not-for profit sector, aimed for publication in a peer reviewed journal. Students will start with exercises aimed to understand the current internal and external context of a firm and its historical development. This foundational understanding will be used to diagnose the extent of entrepreneurial orientation of the selected firm. The case culminates with recommendations to further enhance the entrepreneurial orientation of the firm to enable and sustain its success.

DISCLAIMER: In the event of extraordinary circumstances beyond the University's control, the content and/or evaluation scheme in this course is subject to change.

BRIEF COURSE SCHEDULE:

Session # Date	Topic	Written Assignments due**
1 14 Sept.	Course overview and organization	
2 21 Sept.	What is Theory? Case study approach to theory building	
3 28 Sept.	Book Discussion – <i>Case study research</i> by Yin	Book review 1 st and 2 nd choices due
4 5 Oct. 12 Oct.	Definitional issues: Entrepreneurship, Corporate Entrepreneurship, Family Business Thanksgiving – no class	Case site request
5 19 Oct.	Evolution and current status of the field	
6 26 Oct.	Presentation and class discussion of reviewed books	Book reviews due
7 2 Nov.	Evolutionary approach to organizations	Foundational elements due
8 9 Nov.	Recognizing opportunities	
9 16 Nov.	Entrepreneurial personality & skills	
10 23 Nov.	Resources for entrepreneurial pursuits	Diagnostics, Alternatives & Recommendations due
11 30 Nov.	No class, prepare for case study reports	
12 7 Dec.	Presentation of case studies	Case presentations & Final reports due

**** Primary reader to bring 1-2 page summary and critique of assigned article in each session. Secondary reader must be prepared to comment on the assigned article.**

READINGS:

The readings are divided into two categories: Required and Supplementary Readings. While all participants will be expected to have thoroughly read and critiqued all of the required readings, the supplementary readings are for those students wanting more information on a particular topic. In addition, parts of the following books will be used in the course.

Required books:

Aldrich, H. E. (2006). *Organizations Evolving*. 2nd Edition. Sage Publications. (Preface and Chapters 1, 2, 3 are required readings).

Kuratko, D.F. & Hornsby, J.S (2008). *New Venture Management: The Entrepreneur's Roadmap*. Pearson Prentice Hall: Upper Saddle River, NJ.

Yin, R.K. (2009). *Case study research: Design and methods*. Fourth edition. Applied social research method series. Volume 5. SAGE publications: California.

Book review options:

Each student will review one of the following books (**Book Review due: Week 6**)

The specific book to be reviewed by each student will be decided on an individual basis.

Week 3 – Please send your first and second choice of book to review to the instructor.

Block, Peter (2000). *Flawless Consulting: A Guide to Getting Your Expertise Used*.

Pfeiffer, Wiley Publishers. Second Edition.

Perhaps the best book currently available to understand the consulting process for anyone interested in pursuing a consulting career. There is a field book available to complement this book.

Hilburt-Davis, J. & Dyer, Jr. W.G. (2003). *Consulting to family businesses*, Jossey Bass Publications

An excellent book for those interested in pursuing a consulting career focused on family businesses.

Barringer, B.R. (2008). *Preparing effective business plans: An entrepreneurial approach*, Pearson Prentice Hall Ireland Morris Entrepreneurship Series.

For those interested in launching an independent venture, this book provides the up to date guidance available on preparation of business plans.

Hoy, F. & Sharma, P. (2009). *Entrepreneurial Family Firms*. Pearson Prentice Hall Ireland Morris Entrepreneurship Series.

This book discusses the various factors that lead to successful trans-generational entrepreneurship, success and sustainability of family firms.

Miller, D. & Le-Breton Miller, I. (2005). *Managing for the long run: Lessons in competitive advantage from great family businesses*. Harvard Business School Press.

Based on a study of firms that have remained at the top of their industries for over a century, this book provides excellent guidance of factors that lead to sustainable success – can provide useful guidance for new ventures, small ventures, family or non-family firms.

Gersick, K.E., Davis, J.H., McCollom Hampton, M., & Lansberg, I. (1997). *Generation to Generation: Life cycles of the family business*, Harvard Business School Press.

A classic family business book based on an analysis of life cycles at work in family firms – a must read for all those interested in family firms as owners, managers, or consultants.

Ward, J.L. (1987). *Keeping the family business healthy*, Family Enterprise Publishers.

A family business classic – lessons from this book are valid for all firms.

EVALUATION:

Class Contributions	30%	
Book review	15%	
Case study	55%	
Foundational information		10%
Diagnostics, Alternatives & Recommendations		15%
Final report		20%
Presentation		10%

CLASS CONTRIBUTIONS (30%)

This course is organized as a seminar. You will get out of the course what you put in it. Regular attendance and participation are critical to your successful completion of this course. To facilitate your preparation for each session, the reading list is divided into two parts – Required and Supplementary Readings. All students are expected to be well familiar with all required readings.

If for some reason, you are not prepared, please let me know before the start of the class to save us both the embarrassment of my calling on you.

Notes are recommended in sufficient detail to enable your regular participation in the discussion. As you read the materials, you will undoubtedly find many flaws and things that could be improved. While noting these is important, you should also make sure that you can answer the following questions about each reading:

- What question is the author trying to address? How important is this question?
- What assumptions does the author make? How valid are these assumptions?
- How does the author address the research question? If this is an empirical piece, is the methodology appropriate?
- What conclusions does the author draw? Are these conclusions justified in the light of the empirical evidence presented by the author? How important are these conclusions?
- What level of analyses is the author addressing?
- How could this work be extended or refined?
- How is this work related to other articles assigned for the same class session?
- How does this work relate to other books/materials that you have read?

Primary and Secondary Reviewers:

Each required reading will be assigned to one primary and one secondary reviewer. The Primary Reviewer will critically review the reading and comment on it. S/he will prepare a 1-2 page article summary and critique to be shared with all members of the class at the beginning of each class.

The Secondary reviewer will be asked to provide additional commentary, either agreeing or disagreeing with the Primary Reviewer.

The discussion will then be open to the class.

Class Contribution Grade Calculation:

Every member of the class is expected to be a co-producer of the class discussion, listen carefully to one another, and attempt to build on or constructively critique prior comments. An effective participant:

- Is a good listener
- Makes points relevant to the ongoing discussion
- Makes comments that add to our understanding of the reading or article
- Is willing to challenge ideas that are being expressed
- Integrates materials from past classes, other courses

Each student will be asked to submit a one-page peer evaluation and grade out of 20 based on these five criteria for all students in the class (including self evaluation). These scores will be averaged with one assigned by me to determine the 30% Class Contribution grade.

BOOK REVIEW: (Book review 1st & 2nd choices due in Week 3; Book reviews due in Week 6; 15% of course grade)

Prepare a 3-5 pages book review and be prepared to share the highlights of your review in class. Your book review should include the research question/s or issues focused in the book, key points made by the author/s, research methods used, your assessment of the strengths and weaknesses of the book, and whether or not (and why) you'd recommend the book to others in the class.

You may find it valuable to read the book reviews published in *Academy of Management Journal*, *Family Business Review*, and other major journals in the Management.

CASE STUDY: (55% of course grade)

The major term paper for this course is a case study aimed for publication in a peer reviewed case journal. Examples of target journals include *Entrepreneurship Theory & Practice*, *Journal of Business Venturing*, and *Case Research Journal*. While you will be introduced to some published case studies during the term, you are encouraged to familiarize yourselves with other cases so as to have a template around which to develop your own case study. The case study can be focused on a private *or* public firm in for- *or* not-for profit sector.

Students will start with exercises aimed to understand the current internal and external context of a firm and its historical development. This foundational understanding will be used to diagnose the extent of entrepreneurial orientation of the selected firm. The case culminates with recommendations to further enhance the entrepreneurial orientation of the firm.

Confidentiality of the case firm shall be respected at all times.

My goal is to help you produce a well-researched, well thought out case study which can eventually (at the very least) be presented at a refereed case conference, or (better) be accepted for a peer reviewed journal publication.

To help you develop your case study, each student will submit three progress reports, present their ideas to the class, provide critical commentary on other students' ideas and complete a final

paper. You will need to begin thinking about your term paper early in the course. Please feel free to discuss your ideas with me whenever you are ready to do so.

- Session 4 – Submit a request for approval of case study site to the instructor sharing the size of the firm and why you feel this firm is a good site to develop a case study for this course. Given the high entrepreneurial spirit at JMSB, you are encouraged to locate an alumni's firm for your study site.
- Session 7 – Foundational elements (10%)
3-5 pages sharing the basics of the identified case site including the product/market scope, size of the firm (revenues, employees), growth patterns, current ownership and management status (using organizational charts), extent of family involvement in business (where applicable using genealogy charts), history of the firm and family involved in it (where applicable).
Based on an understanding of the foundational elements, determine and share the focal decision question for this case study.
- Session 10 – Diagnostics, Alternatives & Recommendations (15%)
5-7 pages sharing the external and internal environment of the firm, SWOT analysis, alternatives the firm has to maintain high entrepreneurial orientation, your recommendations and justification for these recommendations.

Perform a literature search and develop a readings list of articles that help address your identified decision question. Format your reading list as a list of references following the format used in the *Academy of Management Review*.

- Session 12 – Presentations (10%)
To help you develop your ideas and present them succinctly, session 13 will be devoted to presentations and discussions of your case study. Prepare a 10-15 minute presentation. Innovation in presentations is encouraged. Please invite your case firm leaders to your final presentation. A peer review (similar to the participation grade) will be used to determine the presentation grade.
- Session 12 – Case reports due (20%, 15-25 pages, typed, double-spaced, plus tables and references).
Based on the feedback received on Foundational elements, Diagnostics, Alternatives and Recommendations, develop a case study suitable for submission to a peer reviewed case journal. You are encouraged to follow the guidance for writing cases for ET&P (Chrisman, 1994). Format the case to meet the style guide for case authors for the Entrepreneurship Theory & Practice.
(<http://www.baylor.edu/business/ETP/index.php?id=24903>).

SEMINAR SCHEDULE

Week 1: Course overview and organization

Week 2: What is Theory? Case study approach to theory building

- Whetten, D.A. (1989). What constitutes a theoretical contribution? *Academy of Management Review*, 14: 490-495.
- Eisenhardt, K. M. (1989). Building Theories from Case Study Research, *Academy of Management Review*, 14(4): 532-550.
- Chrisman, J.J. (1994). Writing cases for Entrepreneurship Theory & Practice, *Entrepreneurship Theory & Practice*, Winter: 89-95.

Supplementary Readings

- Eisenhardt, K.M. & Graebner, M.E. (2007). Theory building from cases: Opportunities and challenges. *Academy of Management Journal*, 50(1): 25-32.
- Siggelkow, N. (2007). Persuasion with case studies. *Academy of Management Journal*, 50(1): 20-24.

Week 3: Book Discussion:

Yin, R.K. (2009). *Case study research: Design and methods*. Fourth edition. Applied social research method series. Volume 5. SAGE publications: California.

Week 4: Definitional Issues: Entrepreneurship, Corporate Entrepreneurship, Family Business

- Gartner, W.B. (1990). What are we talking about when we talk about entrepreneurship? *Journal of Business Venturing*, 5, 15-28.
- Kuratko, D.F. & Hornsby, J.S. (2008). New Ventures: The Quiet Giant (Chapter 1, pp. 1-18), In *New Venture Management: The Entrepreneur's Roadmap*, Pearson Prentice Hall, New Jersey.
- Shane, S. & Venkataraman, S. (2000). The Promise of Entrepreneurship as a Field of Research, *Academy of Management Review*, 25(1): 217-226.

Supplementary Readings

- World's largest and oldest family firms: <http://www.familybusinessmagazine.com/>
- Chua, J.H., Chrisman, J.J. & Sharma, P. (1999). Defining the family business by behavior. *Entrepreneurship Theory & Practice*, 23(4): 19-39.
- Sharma, P. & Chrisman, J.J. (1999). Toward a reconciliation of the definitional issues in the field of corporate entrepreneurship. *Entrepreneurship Theory & Practice*, 23(3): 11-27.

Week 5: Evolution and Current status of the field

- Low, M.B., & MacMillan, I.C. (1988). Entrepreneurship: Past research and future challenges. *Journal of Management*, 14, 139-161.
- Ireland, R.D. & Webb, J.W. (2007). A cross-disciplinary exploration of entrepreneurship research, *Journal of Management*, 33(6): 891-927.
- Katz, J.A. (2003). The chronology and intellectual trajectory of American entrepreneurship education 1876-1999, *Journal of Business Venturing*, 18(2): 283-300.
- Sharma, P., Hoy, F., Astrachan, J.H., & Koiranen, M. (2007). The practice driven evolution of family business education, *Journal of Business Research*, 60(10): 1012-1021.

Supplementary Readings

- Davidsson, P., Low, M.B., and Wright, M. (2001). Editors' Introduction: Low and MacMillan Ten years on – Achievements and future directions for entrepreneurship research. *Entrepreneurship Theory & Practice* 25(4): pp. 5-16.
- Gartner, W.B., Davidsson, P., & Zahra, S.A. (2006). Are you talking to me? The nature of community in entrepreneurship scholarship, *Entrepreneurship Theory & Practice*, May: 321-331.

Week 6: Book Reviews Due – Discussion of books reviewed

Week 7: Evolutionary approach to organizations

- Aldrich, H.E. (2006). *Organizations Evolving*. 2nd Edition. Sage Publications. Preface, Chapters 1, 2, 3
- Gersick, K.E., Davis, J.H., McCollom Hampton, M., & Lansberg, I. (1997). *Generation to Generation : Life cycles of the family business*, Harvard Business School Press. Introduction, pp.: 1-25.
- Greiner, L.E. (1972). Evolution and Revolution as organizations grow : A company's past has clues for management that are critical to future success. *Harvard Business Review*, July-August.

Supplementary Readings:

- Sharma, P. & Smith, B. (2008). Ed's dilemma: Succession planning at Niagara Paving. *Entrepreneurship Theory and Practice*, July issue: 32(4).
- Willard, G.E., Krueger, D.A., & Feeser, H.R. (1992). In order to grow, the founder must go: A comparison of performance between founder and non-founder managed high-growth manufacturing firms. *Journal of Business Venturing*, 7, 181-194.

Week 8: Recognizing opportunities

- Aldrich, H.E. & Cliff, J.E. (2003). The pervasive effects of family on entrepreneurship : Toward a family embeddedness perspective. *Journal of Business Venturing*, 18(6): 573-596.
- Bricklin, D. (2001). Natural born entrepreneur. *Harvard Business Review*, Sept.: 53-59.

- Dew, N., Velamuri, S.R., & Venkataraman, S. (2004). Dispersed knowledge and an entrepreneurial theory of the firm. *Journal of Business Venturing*, 19: 659-679.
- Ronstadt, R. (1988). The corridor principle. *Journal of Business Venturing*, 3, 31-40.

Supplementary Readings:

- Corbett, A.C. (2007). Learning asymmetries and the discovery of entrepreneurial opportunities. *Journal of Business Venturing*, 22(1): 97-118.
- Cliff, J.E., Jennings, P.D., & Greenwood, R. (2007). New to the game and questioning the rules: The experiences and beliefs of founders who start imitative versus innovative firms. *Journal of Business Venturing*, 21(5): 633-663.

Week 9: Entrepreneurial personality and skills

- Fairlie, R. & Robb, A. (2007). Families, Human Capital, and Small Business: Evidence from the Characteristics of Business Owners Survey. *Industrial and Labor Relations Review*, 60(2): 225-245.
- Sternberg, R.J. (2004). Successful intelligence as a basis for entrepreneurship. *Journal of Business Venturing*, 19(2): 173-188.
- Zhao, H. & Seibert, S.E. (2006). The big five personality dimensions and entrepreneurial status: A meta-analytical review. *Journal of Applied Psychology*. 91: 259-271.

Supplementary Readings

- Aidis, R. & van Praag, M. (2007). Illegal entrepreneurship experience: Does it make a difference for business performance and motivation? *Journal of Business Venturing*, 22(2): 283-310.

Week 10: Resources for entrepreneurial pursuits

- Kuratko, D.F. & Hornsby, J.S. (2008). Start-up capital (Chapter 8, pp. 169-190), In *New Venture Management: The Entrepreneur's Roadmap*, Pearson Prentice Hall, New Jersey.
- Kuratko, D.F. & Hornsby, J.S. (2008). Human resources (Chapter 11, pp. 231-260), In *New Venture Management: The Entrepreneur's Roadmap*, Pearson Prentice Hall, New Jersey.
- Davidsson, P. & Honig, B. (2003). The role of social and human capital among nascent entrepreneurs. *Journal of Business Venturing*, 18(3): 301-331.
- Steier, L. (2007). New venture creation and organization: A familial sub-narrative. *Journal of Business Research*, 60(10): 1099-1107.

Week 11: No class. Preparation of Case Studies

Week 12 Hand-in and class presentations of case studies