

Corporate Entrepreneurship
Course Syllabus
School of Entrepreneurship
Oklahoma State University

EEE 4263/5263

Class Meets: MW, 2:30-3:45 pm

Room: CLB 218

Spring 2010

Office Hours: M,T,W,Th 10-

11 am & by appointment (gladly!)

Instructor: Dr. Michael Morris,

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Department website :

<http://entrepreneurship.okstate.edu>

Prerequisites

Undergraduate: Introduction to Entrepreneurship (EEE 3023) or instructor permission.

Graduate: Entrepreneurship & Venture Management (EEE 5113) or instructor permission

Course Overview

It has been said that entrepreneurship is to the company what speed is to the athlete. In the quest for sustainable competitive advantage, companies are finding that lower costs, higher quality and better customer service are not enough. Today, they must be faster, more flexible, more aggressive and more innovative in order to maintain the competitive edge. In short, they must be more entrepreneurial. Most managers would acknowledge this conclusion, and yet few seem to understand what corporate entrepreneurship really is, or how to make it happen. It is these issues that are the subject matter of the Corporate Venturing course. The so-called “bottom line” of this course concerns how to find the Richard Bransons, the Ted Turners, and the Bill Gates within the mainstream of the company...on the shop floor, in the sales force, at the reception desk, in the research laboratory. The focus is on creating work environments where entrepreneurship is not the exception, it is the norm. This will be a course of many questions, issues and controversies, and students will be challenged to develop and defend their opinions regarding these matters. It is also an applied course, where students must take the ideas, concepts, tools, and frameworks to which they are exposed and apply them in a series of real world cases and contexts.

Course Objectives

Upon completion of this course, students should be able to:

- Identify similarities and differences between corporate and start-up entrepreneurship;
- Be able to apply the entrepreneurial process to the operations of a department or functional area within an established organization;

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- Assess the environment within an established company in terms of how much it supports or constrains entrepreneurship;
- Identify creative ways to overcome obstacles to entrepreneurship in established companies;
- Be able to formulate corporate objectives and strategies that support entrepreneurial behavior;
- Grasp the manner in which work environments can be designed to support entrepreneurial behavior;
- Understand their own managerial styles, their own attitudes toward failure and change, and how entrepreneurial their approach to management appears to be;
- Recognize and evaluate the ethical dimensions of corporate entrepreneurial behavior.

Texts and Materials (all required)

- 1) Morris, M. H, Kuratko, D.F. and Covin, J.C. (2008), Corporate Entrepreneurship & Innovation, 2nd Edition, Mason, Oh: Thomson/Southwestern Publishing.
- 2) Semler, Ricardo (1995), Maverick: The Success Story Behind the World's Most Unusual Workplace, New York; Warner Books (ISBN: 0446670553) (softcover reprint edition).
- 3) Cases posted to the D2L site.

Student Evaluation

Class participation/contribution	10%
Case presentation**	20%
Mid-term examination*	20%
Final examination*	25%
Entrepreneurial Audit of a Company***	<u>25%</u>
	100%

*The midterm and final examinations will be essay tests in which students must demonstrate a) their understanding of the key frameworks, perspectives, concepts, ideas and tools introduced in the course, b) their ability to relate these frameworks, perspectives, concepts, ideas, and tools to one another, and c) their ability to creatively apply these frameworks, perspectives, concepts, ideas, and tools in differing contexts. The midterm will cover material from the first half of the course, while the final will cover the second half. Study questions will be provided prior to both the midterm and the final.

**The case presentation is an oral group presentation. Students will form into groups, and each group will present one case. All cases are in the course pack, and specific cases are presented on the date indicated in the 'Assignments' section below. An outline to guide your case presentation will be provided in class.

***Students must find a business that has been operating for at least five, and preferably more, years, with at least fifty employees. They must conduct what we will call an "entrepreneurial audit" of the enterprise. The audit will take the form of a written

assessment of the firm's current "entrepreneurial intensity", a critique of company strategy and structure, an entrepreneurial assessment of the company's operating departments, an evaluation of the key senior managers in the firm from an entrepreneurial perspective, and recommendations for ways to optimally grow the venture in the coming years. I will provide you with a set of issues to be addressed.

Attendance Policy

Attendance is required. Your contribution is an important part of the learning experience gained by each of your peers. Absence means you are taking away from the class dynamic and the evolving class culture. You are allowed a maximum of two unexcused absences. Missing more than this total will mean the forfeiture of your class participation grade.

Course Format

The learning method will involve a mix of interactive lectures, class discussions, and case presentations. The emphasis will be on developing an understanding of key concepts and applying them in a corporate context. Students are expected to come to class prepared and to make a contribution to the discourse which occurs in the classroom. Contributions include asking questions, answering questions, providing examples from your own life experiences and your other courses, expressing opinions, taking positions, disagreeing with points made by the instructor or your peers, and so forth.

Academic Integrity

All work in this course must be your own individual effort. Where you have a team assignment, the submitted or presented work must be solely that of the team members with equal contributions from each team member. Violations of this rule will be considered academic dishonesty and be referred to the Academic Disciplinary Committee. OSU has adopted an academic policy emphasizing that honesty, integrity, and respect for others are fundamental expectations in our University.

Course Schedule and Assignments

(Note: We may move at a slower or faster pace depending on student interests and mastery of the material)

Key: CE = *Corporate Entrepreneurship* text
MAV = *Maverick* text

Week One Jan. 11-15

Introduction; The Changing Nature of the Strategic Challenge
Confronting Organizations; The Nature of Entrepreneurship;
The Entrepreneurial Process; What it Means to Be Entrepreneurial;
The Concept of Entrepreneurial Intensity (EI); Differences between
Start-up and Corporate Entrepreneurship
Read CE, Chapter 1 and 2

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Week Two
Jan. 18-22

The Organizational Life Cycle; Why Stay and Why Leave;
Who is the Entrepreneur?; Who is the Corporate Entrepreneur?;
Types of Entrepreneurs; Entrepreneurs versus Managers
Read CE, Chapter 3 and 6

Case One: Howard Head and Prince

--Note; student teams should begin preparing detailed outline of
entrepreneurial audit to be submitted **February 3**

Week Three
Jan. 25-29

A Framework for Understanding the Obstacles to Corporate
Entrepreneurship; Applying the Framework; Forms that Corporate
Entrepreneurship Takes

Review of companies receiving Entrepreneurial Audits;

Read CE Chapter 4 and 11

Week Four
Feb 1-5

Managing New Product and Service Development in
Corporations; Levels of Innovation; Perspectives on the New
Product development Process; Technology Push versus Market
Pull; Contemporary Practices in Managing Innovation

Read CE, Chapter 8, Class Handout

Case Two: Joline Godfrey and Poloroid

Week Five
Feb. 8-12

Technology Management & Corporate Entrepreneurship; Common
Misconceptions About Technology; Technology Life Cycles;
Implications of Technological Turbulence for Entrepreneurs

Read CE, Chapter 8 (again), Class Handout

Case Three: New Belgium Brewery

Week Six
Feb 15-19

Functional Perspectives: Marketing & Corporate Entrepreneurship;
Leading versus Following Customers; Expeditionary Marketing;
Entrepreneurial Orientation versus Market Orientation; Applications
to the Company's Marketing Mix

Functional Perspectives: Purchasing & Corporate Entrepreneurship;
A Strategic Perspective on Purchasing; An Entrepreneurial
Perspective on Purchasing; The Value Added Chain

Read Class Handouts

Case Four: Xerox New Enterprises

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Week Seven Feb 22-26	<p>Fostering Entrepreneurial Behavior: Pick the Winners or Step to the Plate? A Framework for Making it Happen</p> <p><i>Read Ireland, Morris, Kuratko article on D2L</i></p>
Week Eight March 1-5	<i>Review Session and Midterm Examination</i>
Week Nine March 8-12	<p>Workshop on How to Do Your Entrepreneurial Audits</p> <p><i>Read CE, Chapter 13</i></p>
March 15-19	<i>Spring Break</i>
Week Ten March 22-26	<p>Setting Goals and Strategies; Types of Entrepreneurship Goals and Who Should Set Them; Applying the Concept of the Innovation Portfolio; A Strategy for Entrepreneurship</p> <p><i>Read CE, Chapter 8 (again) and 15</i></p> <p><i>Case Five: Case Eight: IBM (A)</i> <i>Note: IBM (C) is a short follow on that will be handed out</i></p>
Week Eleven March 29-April 2	<p>Types of Organizational Structures that Encourage or Discourage Entrepreneurship; Components of Structure; New and Creative Structural Approaches</p> <p><i>Read CE Chapter 9 and MAV, Chapters 1-9</i></p> <p><i>Case Six: New Ventures at Procter and Gamble</i></p>
Week Twelve April 5-9	<p>Control and Entrepreneurship; The Role of Cost Systems and Behavioral Control Systems; Simultaneous Loose-Tight Properties; Out of Control Organizations; Giving Up Control to Gain Control</p> <p><i>Read CE, Chapter 14, MAV, MAV, Chapter 10-18</i></p> <p><i>Case Seven: Internal Venturing at Dow Chemical</i></p>
Week Thirteen April 12-16	<p>The HRM System and Corporate Entrepreneurship; Ways in Which HRM Practices Can Facilitate Entrepreneurship; The Role of Compensation, Rewards, Awards and Appraisals; The Expectancy Model; What to Try and Build into the Compensation System; The Need for Celebrations</p>

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Read CE, Chapter 7 and MAV, Chapters 19-27

Case Eight: Nortel Networks

**Week Fourteen
April 19-23**

Culture and People Issues; Values, Norms, Expectations, Rituals and Symbols; Resistance to Change, Fear of Failure and More; What Do Employees Really Fear; Failure as a Necessity; Failure and Learning; How to Make Failure Tolerable; Entrepreneurship at Different Levels of the Firm

Read CE, Chapter 10, 12 and the rest of MAV

Case Nine: IKEA

**Week Fifteen
April 26-30**

Entrepreneurship in Non-profit and Government Organizations

Read CE, Chapter 5

Case Ten: Johnsonville Sausage

Final Examination Time: TBA