

# USC Marshall

School of Business  
*Lloyd Greif Center for  
Entrepreneurial Studies*

## **BAEP 563: Corporate Entrepreneurship** **Monday/Wednesday 5 – 6:20 pm** **JKP 212**

**Fall 2015 SYLLABUS**  
Version 1.0 [12 August 2015]

BAEP 563 is a three-unit entrepreneurship course for graduate students. There are no course prerequisites.

### **Jeremy Dann, Adjunct Professor**

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E-mail: jeremy.dann@marshall.usc.edu

Individual appointments – I will announce some periodic office hours to take place in my office or in a café on the campus. I am also happy to schedule an individual meeting with you. Please speak with either of us during class or contact us by mobile phone or email to schedule. Email and voice mail are preferred format for messages.

### **COURSE DESCRIPTION:**

Corporate entrepreneurship is the practice of employing entrepreneurial skills and approaches within an organization. To achieve and sustain a true competitive advantage in today's global business environment, companies must be faster, more creative, nimble, flexible and innovative. Resource availability may be limited or non-existent to support new innovations and initiatives. In other words, organizations must be more entrepreneurial.

Among the topics discussed will be:

- Why and when organizations engage in corporate entrepreneurship
- The different forms of corporate entrepreneurship: the organizational “toolkit”
- Creating processes supportive of corporate entrepreneurship throughout an organization, including in product development, marketing, sales, finance and other functional areas
- How corporate culture and the human resources function either add to or detract from the corporate entrepreneurship initiative business models, and
- How the tools of corporate entrepreneurship are applied in public sector, social enterprise and not-for-profit organizations to stoke new thinking and create new capabilities



## REQUIREMENTS

Course requirements include: effective weekly case/reading preparation and participation, a final paper, four case/guest write-ups and a team role play/simulation.

### **Class Participation:**

Robust classroom discussions are essential to the MBA learning experience, especially in a case study and expert guest-driven class environment. Students should be prepared to participate in each class session and also be ready for follow-up questions when they choose to participate. Throughout the term, students should attempt to contribute to the class in different ways (*e.g.*, laying out case facts, presenting analyses, promoting strategic recommendations, bringing in outside knowledge, etc.). Participation is tracked by the instructor in each class with a case study or other student-driven discussion.

### **Final Paper:**

Students will submit a 4000-5000 word final paper. The aim of this paper will be to take a framework/approach from a supporting course reading (or a framework from outside articles from the *HBR*, *Sloan Management Review*, etc.) and utilize it to assess a corporate entrepreneurship/innovation scenario. Subject companies and cases may be found in the popular business press or via a student's personal experience (interviews with managers are recommended in this case). The paper **should not** be based on a business school case study. The paper must deal with the inward-looking aspects of the corporate entrepreneurship process (organizational design, incentives, resource allocation, values, etc.), but may also in part address outward-looking elements (such as marketing, customer adoption, etc.). Students should analyze a particular problem or set of problems and provide recommendations about what the companies should do or should have done. While developing a history or fact base is important part of this assignment, at least half of the paper should deal with analysis and recommendations. A variety of sources should be utilized and appropriate citations and bibliography should be included. This paper must be posted to Blackboard prior to or on 7 December (hard copy submissions are appreciated if the paper is completed by the last class session). **Papers submitted after 7 December will incur a late penalty of 5% for each day it is late until it is submitted via e-mail and posted to Blackboard.**

### **Case/Guest Write-Ups:**

Students will individually submit four write-ups of 1200-1500 words (approx 3 pages) in length during the term. Two write-ups must come from the required case readings and at least one write-up must come from an expert guest discussion—the fourth is the student's choice. These *should not* be summaries of case/company facts and the dilemmas facing the companies. Rather, students should assume the grader is familiar with the case and guest company background. The best write-ups will compellingly *analyze* the key dilemmas facing the company and discuss learnings on the issues associated with innovation and corporate entrepreneurship. Students should assess/critique company performance and provide their well-supported recommendations on case decision points. **At least one of the write-ups must be turned in by the end of week 5 of the course and at least two must be turned**

**in by week 10.** The case write-ups are due *before* the case is discussed in class on Blackboard. The expert guest write-up for Monday sessions will be due by 5 pm the Friday following the class and the write-ups for Wednesday sessions will be due by 5 pm the Monday following the class. It is the student's sole responsibility to select which case readings and expert guests he/she will use to satisfy the required four write-ups during the semester.

### **Simulation/Presentation/Role Play:**

This team-based assignment will be discussed in more detail after the class has begun. Students will have three weeks or more to prepare and the simulation will occur in early to mid November, most likely. The outputs include a presentation deck, a 10-minute in-class presentation and a 2000-word summation/analysis of the simulation (an output of the team) due approximately one week afterward.

### **CLASS DECORUM**

Students are asked to utilize computers, tablets or other devices **only** to take notes and access their previously completed notes and analyses during class. Please do not employ any other communications devices during our sessions together; all mobile phones should be turned off. Please give our guest speakers your **highest level** of attention and courtesy.

### **ACADEMIC STANDARDS AND DISABILITY ACCOMODATIONS:**

The University community consisting of faculty, students and administration is dedicated to high ethical standards. Every person at USC has an inherent responsibility to uphold the principles of academic integrity. Students are expected to understand the Academic Integrity guidelines in *SCampus*.

*Any student requesting academic accommodations based on a physical, psychological or learning disability is required to register with Disability Services and Programs (DSP) each semester. A letter of verification for approved accommodations can be obtained from DSP. Please be sure the letter is delivered to us as early in the semester as possible (by the second week of the semester). DSP is located in STU 301 and is open from 8:30 AM to 5 PM, Monday through Friday. The telephone number for DSP is (213) 740-0776.*

### **MANAGING CONFLICTS**

MBA students please refer to the Appendix at the end of this syllabus regarding course conflicts.

## COURSE GRADING

	<u>Points</u>
<b>Class Participation*:</b>	15%
<b>Final Paper:</b>	35%
<b>Case/Guest Write-ups**:</b>	40%
<b>Role Play/Simulation/Presentation</b>	10%
<b>Total Points</b>	<b>100%</b>

### **\*Class participation**

**90 – 100%** – student is highly engaged in class on a weekly basis contributing insightful questions and thoughts.

**80 – 90%** – student is moderately engaged in class on a periodic basis and occasionally contributes insightful questions and thoughts.

**70 – 80%** – student is somewhat engaged in class contributing obvious questions and thoughts.

**Below 70%** – student almost never contributes or does not contribute in class.

\*\* Two write-ups must come from the required case readings and at least one must come from an expert guest discussion.

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## UNIVERSITY OF SOUTHERN CALIFORNIA MARSHALL SCHOOL OF BUSINESS

### The Lloyd Greif Center for Entrepreneurial Studies

#### CONFIDENTIALITY POLICY

Throughout The Entrepreneur Program's classes and events, students will be exposed to proprietary information from other students, guest lecturers and faculty. It is the policy of The Entrepreneur Program that all such information is to be treated as confidential.

By enrolling in and taking part in The Entrepreneur Program's classes and activities, students agree not to disclose this information to any third parties without specific written permission from students, guest lecturers or faculty, as applicable. Students further agree not to utilize any such proprietary information for their own personal commercial advantage or for the commercial advantage of any third party.

In addition, students agree that any legal or consulting advice provided without direct fee and in an academic setting will not be relied upon without the enlisted opinion of an outside attorney or consultant, without affiliation to The Program.

Any breach of this policy may subject a student to academic integrity proceedings as described in the University of Southern California University Governance Policies and Procedures as outlined in *SCampus*, and to the remedies that may be available at law.

The Entrepreneur Program, the Marshall School of Business and the University of Southern California disclaim any responsibility for the protection of intellectual property of students, guest lecturers or faculty who are involved in The Entrepreneur Program classes or events.

Receipt of this policy and registration in our classes is evidence that you understand this policy and will abide by it.

**BAEP 563 – Corporate Entrepreneurship  
SESSION LINE-UP**

**DATE**

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**Session 1**

**24 August**

**The Nature of Entrepreneurship and the Obstacles in the Corporate Environment**

**Course introduction, expectations and deliverables**

**Reading:** "How Many Light Bulbs Does it Take to Change the World? One. And You're Looking At It." *Fast Company*, December 2007 (link provided via Blackboard)

**Reading: Reading:** Chakravorti, Bhaskar, "A Note on Corporate Entrepreneurship: Challenge or Opportunity." Harvard Business School Module Note, June 2010 (please read in advance of the course)

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**Session 2**

**26 August**

**Building an Organizational Environment Conducive to Entrepreneurial Endeavors: Resources, Process and Priorities, part 2**

**Case:** 3M: Profile of an Innovating Company

**Reading:** Assessing Your Organizations Capabilities: Resources, Processes and Priorities, Christensen

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**Session 3**

**31 August**

**Attacking Adjacencies: Finding Opportunities for Corporate Entrepreneurship**

**Case:** Bloomberg Sports (on Blackboard)

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**Session 4**

**2 September**

**Role of the "Intrapreneur"**

**Case:** Nivea (A)

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**LABOR DAY (No class)**

**7 September**





## Session 5

9 September

### Embracing New Business Models

**Case:** Innovation and Renovation: The Nespresso Story

**Reading:** Mark Johnson, Clayton Christensen and Henning Kagermann, "Reinventing Your Business Model," *Harvard Business Review*, December 2008

**Reading:** Charles A. O'Reilly and Michael L. Tushman, "Organizational Ambidexterity in Action: How Managers Explore and Exploit," *California Management Review*

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## Session 6

14 September

### New Venture Units and Incubators

**Case:** Corporate New Ventures at Procter & Gamble

**Reading:** Vijay Govindarajan and Chris Trimble, "Building Breakthrough Business within Established Organizations," *Harvard Business Review*, May 2005.

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## Session 7

16 September

### Recognizing, Assessing and Funding Emerging Business Opportunities

**Case:** Emerging Business Opportunities at IBM (A)

**Reading:** Clayton Christensen, Stephen Kaufman and Willy Shih, "Innovation Killers: How Financial Tools Destroy Your Capacity to Do New Things," *Harvard Business Review*, January 2008

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## Session 8

21 September

### Launching New Products & Business Models: The Nestle Center for Innovation Excellence

**Guest Speaker:** Douglas Munk, Nestle USA

**Reading:** Linda Hill, Greg Brandeau, Emily Truelove and Kent Lineback, "Collective Genius," *Harvard Business Review*, June 2014.

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**Session 9**

**23 September**

**Progress: Where are we?**

**Presentation:** The Corporate Entrepreneurship Journey

**Open Forum:** Questions, Ideas, Other

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**Session 10**

**28 September**

**Mobilization for Innovation: Grassroots Corporate Innovation Programs**

**Case:** Kickboxing at Adobe (Blackboard)

**Reading:** Steven Blank, "Why the Lean Startup Changes Everything," *Harvard Business Review*, May 2013

**Reading:** Robert C. Wolcott and Michael Lippitz, "The Four Models of Corporate Entrepreneurship," *Sloan Management Review*, Fall 2007

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**Session 11**

**30 September**

**Opening up the Corporate Innovation Model**

**Case:** Procter & Gamble 2000: The SpinBrush and Innovation at P&G

**Reading:** Larry Huston and Nabil Sakkab, "Connect and Develop: Inside P&G's New Model for Innovation," *Harvard Business Review*, March 2006

**Reading:** Darrell Rigby and Chris Zook, "Open Market Innovation," *Harvard Business Review*, October 2002

**Short Reading/Exercise:** web link to be distributed by professor

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**Session 12**

**5 October**

**New Business Model Development: Building and Buying**

**Guest Speaker:** Todd Sims, Anschutz Entertainment Group, AXS

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**Session 13**

**7 October**

**Retooling the Growth Engine**

**Reading:** Scott Anthony and Bruce Brown, “How P&G Tripled its Innovation Success Rate,” *Harvard Business Review*, June 2011

**Short Reading/Exercise:** web link to be distributed by professor

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**Session 14**

**12 October**

**Design Thinking: Creative Approaches to Innovation**

**Reading:** web link to be distributed by professor

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**Session 15**

**14 October**

**Out with the Old: The Digital Transformation at Playboy**

**Guest Speaker:** Robin Zucker, SVP Marketing/Digital Media, Playboy

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**Session 16**

**19 October**

**Championing Innovation Inside and Out: Internal New Products Group, External Consultancy**

**Guest speaker:** Peter Falt, BMW DesignWorks

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**Session 17**

**21 October**

**Corporate Entrepreneurship via Acquisition, Investment and Partnership  
“The Disney approach: acquisitions and alliances as Corporate Entrepreneurship”**

**Guest speaker:** Diana Longarzo, fmr. Walt Disney Company

**Reading:** Freek Vermeulen, “How Acquisitions Can Revitalize Companies.” *MIT Sloan Management Review*

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**Session 18**

**26 October**

**The Skunkworks: Organizational Separation and Innovation**

**Case:** Tactical 511: Beyond Innovation (Blackboard)

**Guest Speaker:** TBD

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**Session 19**

**28 October**

**Corporate Entrepreneurship via Acquisition, Investment and Partnership: Corporate Venture Capital**

**Guest Speaker:** Daniel Doctor, EMC Ventures, fmr. Intel Capital

**Reading:** "Making Sense of Corporate Venture Capital," *Harvard Business Review*

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**Session 20**

**2 November**

**Building New Technologies and Capabilities in the Research Organization**

**Case:** Intel Research: Exploring the Future

**Reading:** John Seely Brown, "Research that Reinvigorates the Corporation," *Harvard Business Review*, Jan-Feb 1991

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**Session 21**

**4 November**

**Incubators: How Giants Engage with Startups in the New Economy**

**Guest Speaker:** TBA

**Reading:** Weiblein and Chesbrough, "Engaging with Startups to Enhance Corporate Innovation," *California Management Review*, Winter 2015

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**Session 22**

**9 November**

**Case Debut:** TBA

**Guest Speaker:** TBA

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**Session 23** **11 November**

**In-Class Simulation:** Instructions to be distributed

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**Session 24** **16 November**

**Corporate Entrepreneurship in Developing Economies**

**Case:** Innovation at Mahindra & Mahindra

**Reading:** Don Sull “Emerging markets give flight to new industry champions”, *Financial Times* (download; link to be provided by professor)

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**Session 25** **18 November**

**In-Class Simulation:** Conclusion

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**Session 26** **23 November**

**Corporate Entrepreneurship in the Social Sector**

**Guest speaker:** Marco Petruzzi, CEO, Green Dot Public Schools

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**THANKSGIVING WEDNESDAY (No Class)** **25 November**

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**Session 27** **30 December**

**Bringing it all together:** Capstone Case

**Case:** Juan Valdez: Innovation in Caffeination

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**Session 28** **2 December**

**Summation and Course review**

**Course evaluation**

## **APPENDIX**

### **MBA PROGRAM POLICY GOVERNING NON-MARSHALL EVENTS THAT CONFLICT WITH CLASSES AND REQUIRED ACADEMIC ACTIVITIES:**

Attendance at all classes and required MBA Program and Career Resource Center activities is expected of every Marshall MBA student. However, there are times during the academic year when external (non-Marshall) events and activities conflict with regularly scheduled classes and academic requirements.

The MBA Program Office and the CRC use their influence to minimize (if not eliminate) these conflicts, especially those that attract a substantial number of students. Despite the efforts of the Program Office and CRC, there are times throughout the year when the scheduling of the external events is beyond the influence of the Program Office and CRC and it is not possible to avoid a conflict.

### **MANAGING CONFLICTS**

The Program Office and CRC will identify, as far in advance as possible and to the best of their ability, the dates of external events and activities that draw a significant number of students. The Program Office will work with the departments and individual faculty to make adjustments to the academic calendar in ways that minimize or eliminate any conflict between these activities and normally scheduled academic requirements.

### **WHEN CONFLICTS OCCUR**

When a conflict or overlap between an external activity and academic requirements cannot be avoided, the following steps will be taken to address the issue:

The Program Office and CRC will generate a list of students who have expressed an interest in the event and who have met the requirements and standards for participation. The Program Office will vet students for appropriate and successful degree progress, academic probation, professional behavior and conduct. The CRC will review students for successful completion of career services programs and training specific to the event and use of the CRC, appropriate behavior with respect to employers and for overall professional behavior and conduct.

The Program Office and CRC will notify the faculty of the conflict. This notification will be sent as far in advance of the conflict as possible and will include: a description of the event and a justification for student participation; the number of students who have been approved to attend the event or activity who will miss the class; and, a deadline for faculty response.

Faculty will decide whether or not the students may miss the academic requirement or class and communicate their decision to the Program Office or CRC (not the students) by the established deadline.

The Program Office and CRC will notify the students of their eligibility to participate in the event and generate for each faculty member affected by the event or activity, a list of students who have been approved to participate.

**Please note:** *staff will not seek to over-ride the decision of the faculty. Students will be notified about their ability to participate in the event by the Program Office and the CRC only after a decision by the faculty has been made.*

If students are released from the class or activity, the students will be held responsible for the content and deliverables missed as a result of their participation in an event outside of class.

If students are not released from the class or activity, the Program Office and CRC will notify the students that they are not approved for the event and that their absence from class may negatively impact their grade and/or performance in the class or activity.