



BUSINESS STRATEGY AND ENTREPRENEURSHIP

Professor: Theodor Vladasel

Office hours: by appointment

Course type: elective

Credits: 4 ECTS

Term: 2nd term (winter)

Course Description

Firms face rapidly changing competitive environments and the need to refine their offerings to customers, as diverse sectors of the economy have witnessed disruptive changes, replacing established incumbents with new entrants. It is crucial for both managers and entrepreneurs to understand and manage the processes that create and capture value in these environments. The *Business Strategy and Entrepreneurship* course is designed to familiarize students with the challenges entrepreneurs and incumbent firms face when making strategic decisions.

Objectives

The main objectives of the course are to:

- 1) Develop tools and frameworks to analyze strategic decisions for new and existing firms;
- 2) Examine empirical regularities and contextual contingencies that determine 'right' actions;
- 3) Contrast strategies available to new and existing firms.

Methodology

The course includes 20 sessions that combine traditional lectures (based on material covered in the recommended textbook), class discussions of specific real-life situations and case studies, and student case study presentations. This approach aims to first expose students to broad theoretical intuitions for firms' strategic decision-making, before allowing them to lead class discussion taking a managerial lens. Students are both expected and encouraged to actively participate, allowing them to internalize the language and discourse of entrepreneurship and strategy. This course builds upon knowledge students have acquired throughout their degree.



Evaluation criteria

1. **Class participation (25%).** This provides the best and most frequent indication you have prepared for class, and an opportunity to help teach others. For both reasons you need to make every reasonable effort to be on time and well prepared. In grading participation, your contributions' quantity and quality are considered. Positive contributions include (but are not limited to): helpful recapitulation or summary of theories and concepts discussed in class; observations linking/integrating concepts; interesting questions; effective responses; personal knowledge and experiences to illustrate or clarify specific points; presenting or supporting alternative positions. Being "wrong" will not count against the student, but will not help out. Empty or repetitive comments that do not add to the discussion will not help, and may hurt if they interfere with in-depth discussions. Students are expected to treat colleagues with respect: discouraging, intimidating, or disrespecting other participants, or diminishing the value of the class will be penalized.
2. **Case study report (25%).** Students will form small teams (of 3-4) to analyze a particular company's strategy using the tools and frameworks discussed during lectures. Students must highlight how these general approaches apply to the company's specific environment and decision-making. It is important to provide evidence (financial data, statistics, quotes from company reports, analysts, or business press) to support arguments and conclusions. Relying on evidence will help students make more objective statements and suggestions; for instance, rather than simply saying an industry is competitive, students can calculate and present an industry's concentration index (i.e., Herfindahl index) that supports the conclusion about the degree of rivalry. The grade for the case study report will be based on the presentation of tools/frameworks, their precise application and correct inference, the depth of analyses, as well as readability and style.
3. **Case study presentation (25%).** To accompany the report, students will prepare a team presentation of 20-30 minutes, highlighting main points of interest and recommendations. All members of a team must present. The grade for the presentation will be based on the quality of the analysis (as above), the soundness of the business logic by which it identifies key issues and proposes (realistic) solutions, and communication effectiveness (e.g., style, clarity, slides). The instructor will provide additional details during the course.
4. **Interim reports (25%).** At the end of each of the 3 sections, the instructor will provide a list of discussion questions. Each student will be randomly allocated 2 questions. They must then provide 1-page responses within a week, summarizing the class discussion relevant to those questions. The instructor will provide additional details during the course.

The presentation dates and submission deadlines will be communicated during the course. To pass the course, students must obtain at least a final grade of 5 (out of 10). Students are required to attend 80% of classes. Failure to do so without justified reason will imply a zero (0)



grade in the participation and attendance evaluation items and may lead to suspension from the program. Students who do not pass have the possibility to recover if they have participated in the learning and evaluation activities throughout the term. The recovery will require another case study report and presentation (in teams or individually, depending on the number of students in this situation).

Plagiarism is to use another's work and present it as one's own without acknowledging the sources correctly. All essays, reports, or projects handed in by a student must be original work completed by the student. By enrolling in any UPF BSM Master of Science and signing the 'Honor Code', students acknowledge that they understand the schools' policy on plagiarism and certify that all course assignments will be their own work, except where indicated by correct referencing. Failure to do so may result in automatic expulsion from the program

Contents

Introduction (1 session)

Part 1: Sustained competitive advantage (5 sessions)

- External environment: Market and competitive analysis
- Internal organization: Strategic positioning and resources
- Corporate social responsibility and social value

Part 2: Entrepreneurial strategy and business models (5 sessions)

- Experimentation and the lean startup
- Business model design and replication
- Managing a business model portfolio
- The founder's dilemmas

Part 3: Growth and scope in corporate strategy (5 sessions)

- Market entry and exit
- Sunk costs and resource redeployment
- Diversification strategies

Part 4: Student presentations (3 sessions)

Wrap-up (1 session)

Specific competences

SC3. Solve managerial problems through the use of analytical and research techniques.



SC4. Acquire skills for the design and implementation of problem-solving models, based on insights from the social sciences.

SC7. Integrate relevant and current scientific research to generate insights in support of business practices.

SC8. Apply the techniques and theories acquired in the Master's Degree to solve problems relevant to the business world. The main objectives of the course are to:

Reading Materials/ Bibliography/Resources

Main textbook:

Besanko, D., Dranove, D., Shanley, M., & Schaefer, S. (2013). **Economics of strategy**. 6th edition. *John Wiley & Sons*.

Additional (optional) readings:

Camuffo, A., Cordova, A., Gambardella, A., Spina, C. (2020). A scientific approach to entrepreneurial decision making: Evidence from a randomized control trial. *Management Science*, 66(2): 564-586.

Casadesus-Masanell, R. & Tarzijan, J. (2012). When one business model isn't enough. *Harvard Business Review*, Jan-Feb, 2-6.

Gans, J. S., Stern, S., Wu, J. (2019). Foundations of entrepreneurial strategy. *Strategic Management Journal*, 40(5): 736-756.

Lieberman, M. B., Lee, G. K., & Folta, T. B. (2017). Entry, exit, and the potential for resource redeployment. *Strategic Management Journal*, 38(3): 526-544.

Porter M. E. (1996). What is strategy? *Harvard Business Review* (Nov-Dec).

Course slides will be provided by the professor following each section

Professor bio

Theodor Vladasel is an Assistant Professor in the Department of Economics and Business at Universitat Pompeu Fabra; he is affiliated with the UPF Barcelona School of Management and Barcelona School of Economics. He holds an MSc in Business Economics from the University of Amsterdam and a PhD in Economics and Management from Copenhagen Business School. His research investigates the individual and contextual drivers and consequences of (growth oriented) entrepreneurship and implications of strategic human capital for new and established (social) ventures.