

Instructor and Contact Information

Dr. Christos Kolympiris, Associate Professor
Warwick Business School, University of Warwick
E-mail: christos.kolympiris@wbs.ac.uk
Skype username: christoskol
<https://www.wbs.ac.uk/about/person/christos-kolympiris>

Unit Aim

This course aims to develop a theoretical and practical understanding of the process of small business development.

Objectives

Upon completing the course, students will be able to:

- Understand the key success factors for every growth stage of an entrepreneurial firm.
- Make informed decisions on entrepreneurial venture growth taking into account the entrepreneurial context, competitive landscape and own capabilities.
- Understand the nature and intricacies of various sources of financing across the different stages of venture development.
- Comprehend the options available to commercialize an idea across the venture growth trajectory and the conditions that shape those options

Course summary

The course will present an overview of entrepreneurship and how emerging innovative firms develop over time. For every growth stage we will outline the entrepreneurial challenges, the decision making process and the options available for such decision making. Increased attention will be paid to the commercialization process from idea generation to viable product and financial returns. Along the same lines, the course has a strong entrepreneurial finance component where we will be exploring in depth the sources of finance for entrepreneurial firms along their growth trajectory. The course offers good management practice for students and encourages and develops small business development skills.

Format

The course uses a combination of lectures based on book material described below, academic literature and discussion of cases.

Communication

The primary means of communication will be email. Skype is also available.

Assessment

There will be no exam. Students will be assessed on an individual report (100%). The report is to be submitted by email to Christos.kolympiris@wbs.ac.uk by **May 15, 5 pm, London, UK time**. Details on the assignment will be offered during the week.

Reading Material

Textbooks

"Entrepreneurial Finance, Strategy, Valuation & Deal Structure" By Smith, Smith and Bliss (ISBN 978-0-8047-7091-0) --- *abbreviated in Schedule below as **SSB***

"Venture Capital and the Finance of Innovation" by Metrick and Yasuda (ISBN 978-0-470-45470-1) --- *abbreviated in Schedule below as **M&Y***

You are encouraged to buy the books but you are not required to do so.

Articles

Monday (you are encouraged to read the following in advance but they may as well be used as material to help you clarify lecture material *ex-post*):

- J.S. Gans, Stern, S. 2003. The product market and the market for "ideas": commercialization strategies for technology entrepreneurs. *Research policy* 32(2) 333-350
- J.S. Gans, Stern, S. 2010. Is there a market for ideas? *Industrial and Corporate Change*
- D.J. Teece. 1986. Profiting from technological innovation: implications for integration, collaboration, licensing, and public policy. *Research Policy* 15, 285-305.
- D.J. Teece. 1998. Capturing value from knowledge assets: The new economy, markets for know-how, and intangible assets. *California management review*. 40(3) 55-79.

Tuesday (you are encouraged to read the following in advance but they may as well be used as material to help you clarify lecture material *ex-post*):

- Cardon, M.S. and Stevens, C.E., 2004. Managing human resources in small organizations: What do we know?. *Human resource management review*, 14(3), pp.295-323.
- Hayton, J. C. 2005. Promoting corporate entrepreneurship through human resource management practices: A review of empirical research. *Human resource management review*, 15(1), 21-41.

- Hunter, S.T. and Cushenbery, L., 2011. Leading for innovation: Direct and indirect influences. *Advances in Developing Human Resources*, 13(3), pp.248-265.
- Leung, A., Zhang, J., Wong, P.K. and Der Foo, M., 2006. The use of networks in human resource acquisition for entrepreneurial firms: Multiple "fit" considerations. *Journal of Business Venturing*, 21(5), pp.664-686.
- Mumford, M.D. and Licuanan, B., 2004. Leading for innovation: Conclusions, issues, and directions. *The leadership quarterly*, 15(1), pp.163-171.

Wednesday and Thursday (you are encouraged to read the following in advance but they may as well be used as material to help you clarify lecture material *ex-post*):

- Dolan C. 1989. The Entrepreneurial Cycle - Growing Pains: Entrepreneurs Often Fail as Managers - As Businesses Grow, Founders Try to Do It All. In Wall Street Journal. New York.
- Gompers, P., Gornall, W., Kaplan, S.N., Strebulaev, I.A. 2016. How Do Venture Capitalists Make Decisions? National Bureau of Economic Research.
- Hamm J. 2002. Why Entrepreneurs Don't Scale. Harvard Business Review
- Hoenen S, Kolympiris C, Schoenmakers W, Kalaitzandonakes N. 2014. The diminishing signaling value of patents between early rounds of venture capital financing. *Research Policy* 43(6): 956-989.
- Kolympiris C, Kalaitzandonakes N, Miller D. 2011. Spatial collocation and venture capital in the US biotechnology industry. *Research Policy* 40(9): 1188-1199.
- Zacharakis A, Shepherd DA. 2007. The pre-investment process: Venture capitalists' decision policies. *Handbook of research on venture capital* 1: 177.
- Zider B. 1998. How venture capital works. *Harvard business review* 76(6): 131-139.

Friday (you are encouraged to read the following in advance but they may as well be used as material to help you clarify lecture material *ex-post*):

- Ahlers GKC, Cumming D, Günther C, Schweizer D. 2015. Signaling in Equity Crowdfunding. *Entrepreneurship: Theory and Practice* 39(4): 955-980.
- Belleflamme P, Lambert T, Schwienbacher A. 2014. Crowdfunding: Tapping the right crowd. *Journal of Business Venturing* 29(5): 585-609.
- Colombo MG, Franzoni C, Rossi-Lamastra C. 2015. Internal social capital and the attraction of early contributions in crowdfunding. *Entrepreneurship: Theory and Practice* 39(1): 75-100.
- Dushnitsky G. Corporate Venture Capital in the Twenty-First Century: an Integral Part of Firms' Innovation Toolkit. Chapter in *The Oxford Handbook of Venture Capital*. 2012
- Mollick E. 2014. The dynamics of crowdfunding: An exploratory study. *Journal of Business Venturing* 29(1): 1-16.

Cases

You are encouraged to have read the following cases in advance but you will be given time to read them during class:

- Tuesday:** Pharmaxis: A star performer at commercialization crossroads
Thursday: Hewlett Packard: Creating, Running, and Growing and Enduring Company
Friday: Cambridge Nanotech Harvard Business School case

Schedule

Date	Lecture Title	Lecture content
Monday	Innovation and Creativity & The commercialization process	Course description Individual and team creativity The product market and the market for ideas
Tuesday	Leading for Innovation / Human Resource Management practices conducive to innovation & Pharmaxis Case	Direct and indirect influences to lead for innovation
Wednesday	Introduction to Entrepreneurial Finance & Venture Capital Funding Overview	Definition of entrepreneurial finance, sources of finance available for emerging firms The Venture Capital (VC) industry (how it works, its history, international VC). How VC works (funding rounds, VC oversight)
Thursday	VC players and their returns & Hewlett Packard Case	Firms and Funds, the limited partners Hewlett Packard Case
Friday	Alternative sources of finance & Cambridge Nanotech Case & Discussion of assignment	Definition of angel investing, scope, how it works. Definition and details of crowdfunding and seed funding Definition and details of corporate venture capital Cambridge Nanotech Case

	& Course wrap up	
--	---------------------	--