Master of Business Administration

Unit Outline

MGMT8608
Entrepreneurship & Innovation
Quarter 3, 2006
Singapore

The unit introduces students to the nature and characteristics of entrepreneurship and innovation and explores the inter-relationship between the two within contemporary economies from a managerial perspective. The nature of enterprise behaviour and the characteristics of entrepreneurs in both small and large organisations are examined as are the policy issues associated with encouraging enterprise and innovation from within larger organisations and the wider community. Students examine their own propensity for enterprise and creativity, while exploring the nature and process of innovation. They are provided with an understanding of how technology and innovation are distinct but related constructs as well as the psychological, social and cultural forces influencing new venture creation. The fundamentals of opportunity recognition and screening of new venture ideas are examined from both a macro and micro perspective.
All material reproduced herein has been copied in accordance with and pursuant to a statutory licence administered by Copyright Agency Limited (CAL), granted to the University of Western Australia pursuant to Part VB of the Copyright Act 1968 (Cth).

Copying of this material by students, except for fair dealing purposes under the Copyright Act, is prohibited. For the purposes of this fair dealing exception, students should be aware that the rule allowing copying, for fair dealing purposes, of 10% of the work, or one chapter/article, applies to the original work from which the excerpt in this course material was taken, and not to the course material itself.

© The University of Western Australia 2006
Contents

UNIT DESCRIPTION

Introduction
The Goal of the Unit
Learning Outcomes
Prerequisites
Key Dates

TEACHING AND LEARNING RESPONSIBILITIES

Teaching and Learning Strategies
Charter of Student Rights
Use of Student Feedback

ASSESSMENT MECHANISM

Purpose of Assessments
Assessment Details Summary
Standard of Assessment
Details of Graded Assessments
Non-graded Activities
Submitting Assignments
Ethical Scholarship, Academic Literacy and Academic Misconduct
Acknowledgements and Plagiarism
Referencing
Appeals Against Academic Assessment

READINGS AND RESOURCES

Unit Website
Required Readings
Additional Resources and Reading Material
Databases

UNIT STRUCTURE

Seminar Schedule
Attendance
Taping Lectures
Contact details

<table>
<thead>
<tr>
<th>Unit web site URL</th>
<th><a href="http://www.gsm.uwa.edu.au">www.gsm.uwa.edu.au</a></th>
</tr>
</thead>
<tbody>
<tr>
<td>Lecturer</td>
<td>Dr. William J. Ardrey</td>
</tr>
<tr>
<td>e-mail:</td>
<td><a href="mailto:wardrey@gsm.uwa.edu.au">wardrey@gsm.uwa.edu.au</a></td>
</tr>
<tr>
<td>phone:</td>
<td>6186 488 3980</td>
</tr>
<tr>
<td>fax:</td>
<td>6185 488 1072</td>
</tr>
<tr>
<td>Consultation hours:</td>
<td>By Appointment</td>
</tr>
<tr>
<td>Room:</td>
<td>By Appointment</td>
</tr>
<tr>
<td>Lecture times:</td>
<td>As scheduled</td>
</tr>
<tr>
<td>Lecture venue:</td>
<td>As scheduled</td>
</tr>
</tbody>
</table>

Your lecturer

Dr William Ardrey has won numerous awards for teaching strategy, entrepreneurship and marketing at the GSM over the past few years, ranging from EMBA Best Unit, 40-under-40, AGSB Teaching Award, and various other honorable mentions in the discipline. Dr Ardrey is past CEO and Executive Director of Regenera Ltd (ASX: RGA), past President of CustomVis plc (LSE: CUS), at the $4 billion Thomson Financial Services, and at the Fiduciary Communications Group. He has an established career as a successful entrepreneur, having co-founded, listed on major stock exchanges, or sold via mergers and acquisitions transactions, 7 businesses successfully, creating over $200 million in shareholder value, and has won recognition as a top life sciences CEO from PricewaterhouseCoopers, Southern Cross Equities, BBY/Jeffries, Ausbiotech, Ausbiotech News, The Wall Street Reporter, and Business Review Weekly, and general recognition as a successful entrepreneur by West Australian Business News (40-under-40 top entrepreneur winner), the New York Times, and City and State. Dr Ardrey has co-authored numerous books, articles and peer reviewed presentations on marketing and strategy in technology and financial services, recently featured in publications ranging from Journal of Cataract & Refractive Surgery, American Journal of Ophthalmology, and International Journal of Bank Marketing. He has contributed to the United Nations book Enterprise Management in Economies Undergoing Economic Transition (1999), and other texts including The Rise of Marketing and Consumer Behavior in East and Southeast Asia (2002), and the Handbook of Marketing and Economics in East and Southeast Asia (2005). Dr Ardrey serves on the Board of Directors of Nova Aerospace/NSC, LaserSight Surgery Centers/Suncoast Day Surgeries, CustomVis Plc, Phoenix Eagle Dermatology, and the Singapore Technologies Incubators@Work! Innovation incubator and holds membership in the Australian Academy of Management, Australian New Zealand Academy of Marketing Educators, the American Academy of Ophthalmology, and the American Society of Cataract & Refractive Surgery.
UNIT DESCRIPTION

Introduction

This course will challenge managers to think in an innovative and entrepreneurial manner and prepare them for success in entrepreneurial ventures. Innovativeness has become a key source of competitiveness advantage. Managers who can think like entrepreneurs innovate to expand opportunities for their organisations, and have become prized by employers. Entrepreneurs within their own organisations use innovativeness to enjoy a high level of freedom, creativity and profits and build creative, dynamic, highly profitable companies with world beating technologies & products. Successful entrepreneurs have become much-admired leaders in the global arena, highly respected commentators on economic trends, and even featured as “most eligible” in the fashion magazines. The successful ones can also make a lot of money. Concurrently, the “dot.com” revolution has caused a re-assessment of entrepreneurial careers, especially in the TTM fields (technology, telecoms and media). Recently, considerable attention has been paid in MBA programs to teaching managers to “act entrepreneurially,” and to preparing potential entrepreneurs for success in risky, but potentially rewarding, new undertakings.

Unit Content

This course is integrative, and builds on the basic themes from prior accounting, management, marketing and financial classes already undertaken, as well as previous professional experience. The focus is on applying these concepts to start and grow entrepreneurial ventures, to help make profitable decisions, and to compete effectively in the marketplace. Course objectives include:

1) The background and nature of entrepreneurship, and illustrations of the drive to offer significantly better products in the marketplace. Students will be encouraged to think and act in an entrepreneurial fashion, create a “board of directors” for a new entrepreneurial venture to develop a comprehensive business plan, and to identify and reduce risks in the new venture creation process;

2) Strategies and tactics (based on theory and successful and unsuccessful practical examples) for new venture creation, including acquisition, franchising and alliances. Exit strategies to protect the wealth of the entrepreneur will also be discussed;

3) The process of introducing, exploiting and protecting technological innovation and intellectual property in the marketplace;

4) Assess the economic benefits of a dynamic private sector, and recognise the potential contributions and challenges to entrepreneurs offered by government policies.

The course has as a goal seeking to challenge students to build on their business education and experience to clarify their own entrepreneurial tendencies and focus their skills on identifying, assessing and planning the profitable exploitation of opportunities.
The Goal of the Unit

Learning outcomes revolve around the ability of students to understand the dynamics of starting, building, growing, and harvesting value from innovative or entrepreneurial ventures.

Entrepreneurship has become recognised as a primary driving force for promoting economic progress, development and diffusion of technology, employment creation, development of niche markets, and dynamic management initiatives. Entrepreneurs detect and pursue opportunities to turn ideas into products and services offered in the marketplace wherever the limits of human ingenuity can be extended through innovation. In this course, students will be exposed to the process of innovation and creating an entrepreneurial organisation; planning, implementing and controlling the new venture creation effort; building credibility in the entrepreneurial organisation, financing challenges, partnership opportunities faced by entrepreneurs; and strategies for the management and protection of the creative efforts of the entrepreneur. Concepts learned in the course can be applied to the creation of new businesses, “intrapreneurial ventures” within an existing organisation, and to family businesses currently operating and seeking new opportunities in increasingly competitive Asian and international markets, especially in Australia, Singapore and Indonesia.

Can entrepreneurship actually be taught? Leadership, creativity, the drive for excellence and the ability to motivate employees to create world changing technologies and encourage market adoption of these innovations are difficult concepts to “teach” in a classroom setting. However, the various learning modes, readings and case studies offered in the course can illustrate strategies and tactics which have succeeded, and failed in the marketplace and encourage students to assess their own prospects for starting or expanding an entrepreneurial venture. Some entrepreneurs succeed due to innate innovativeness, others because of training, education and an acquired or practiced ability to assess risks and plan profitable business strategies, and others due to sheer determination. New venture creation is a risky undertaking, and small businesses fail more often than they succeed. Students will learn the tools to make profitable decisions in an entrepreneurial setting, and be encouraged to think and act entrepreneurially.

This course will benefit potential entrepreneurs, and employees who are considering entrepreneurial ventures within their existing companies. Government officials who regulate the private sector, seek to encourage private business and stimulate new business creation will also profit from the course, as will financial professionals (including bankers, lawyers, accountants & advisers) who work with small and medium sized enterprises. Managers who wish to inject some “dynamism” into their existing teams may also benefit from the concepts and strategies offered in the course.

Learning Outcomes:
Learning outcomes revolve around the ability of students to understand the dynamics of starting, building, growing, and harvesting value from innovative or entrepreneurial ventures.

Entrepreneurship has become recognised as a primary driving force for promoting economic progress, development and diffusion of technology, employment creation, development of niche markets, and dynamic management initiatives. Entrepreneurs detect and pursue opportunities to turn ideas into products and services offered in the marketplace wherever the limits of human ingenuity can be extended through innovation. In this course, students will be exposed to the process of innovation and creating an entrepreneurial organisation; planning, implementing and controlling the new venture creation effort; building credibility in the entrepreneurial organisation, financing challenges, partnership opportunities faced by entrepreneurs; and strategies for the management and protection of the creative efforts of the entrepreneur. Concepts learned in the course can be applied to the creation of new businesses, “intrapreneurial ventures” within an existing organisation, and to family businesses currently operating and seeking new opportunities in increasingly competitive Asian and international markets, especially in Australia, Singapore and Indonesia.

Can entrepreneurship actually be taught? Leadership, creativity, the drive for excellence and the ability to motivate employees to create world changing technologies and encourage market adoption
of these innovations are difficult concepts to “teach” in a classroom setting. However, the various learning modes, readings and case studies offered in the course can illustrate strategies and tactics which have succeeded, and failed in the marketplace and encourage students to assess their own prospects for starting or expanding an entrepreneurial venture. Some entrepreneurs succeed due to innate innovativeness, others because of training, education and an acquired or practiced ability to assess risks and plan profitable business strategies, and others due to sheer determination. New venture creation is a risky undertaking, and small businesses fail more often than they succeed. Students will learn the tools to make profitable decisions in an entrepreneurial setting, and be encouraged to think and act entrepreneurially.

This course will benefit potential entrepreneurs, and employees who are considering entrepreneurial ventures within their existing companies. Government officials who regulate the private sector, seek to encourage private business and stimulate new business creation will also profit from the course, as will financial professionals (including bankers, lawyers, accountants & advisers) who work with small and medium sized enterprises. Managers who wish to inject some “dynamism” into their existing teams may also benefit from the concepts and strategies offered in the course.

Prerequisites

There are no prerequisites for this course.

Key Dates

The key dates are as published by the University of Western Australia Graduate School of Management, and their local partners.

TEACHING AND LEARNING RESPONSIBILITIES

Teaching and learning strategies

The teaching and learning strategies for the course involve a high degree of case-based learning, and group lecture and tutorial interaction in order to apply business concepts to the case presentation. Moreover, applied and real world examples of Entrepreneurship at work in the Australasian region will be encouraged via outside internet-based web searching of industry best practices, and issues germane to exceptional performance within the discipline.

Charter of student rights

This Charter of Student Rights upholds the fundamental rights of students who undertake their education at the University of Western Australia.

It recognises that excellence in teaching and learning requires students to be active participants in their educational experience. It upholds the ethos that in addition to the University’s role of awarding formal academic qualifications to students, the University must strive to instil in all students independent scholarly learning, critical judgement, academic integrity and ethical sensitivity. The charter outlines the rights and responsibilities for both students and staff of the university and you are encouraged to refer to the charter at:
**Use of student feedback**

Unit and curriculum development benefit through constant and ongoing feedback from students and local agent suggestions. In particular, student feedback is instrumental in ensuring appropriate application of Entrepreneurship and Innovation concepts to the real situation in East and Southeast Asia as well as Australia and New Zealand.

**ASSESSMENT MECHANISM**

**The purpose of assessment**

The purpose of assessment involves ensuring that the learning outcomes of the course are correctly implemented by the students. A combination of written, individual assignments are initiated, and supplemented by group-based case studies. Assessment is made based on University of Western Australia guidelines and appropriate feedback provided to students.

**Assessment details Summary**

The initial assessment is an individual assignment asking students to reflect on strategic management concepts offered early in the course. This assignment is worth 20% of the total grade for the course, and is due at the commencement of the Second Teaching Block. The subsequent assignments are a Group Case Study assignment (worth 20% of the grade in total, evenly divided between oral and written assessment) and an Individual Final Examination, worth 60% of the total grade, and provided in a take-home format.

<table>
<thead>
<tr>
<th>Component</th>
<th>Weight</th>
<th>Due date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Is Entrepreneurship for me?</td>
<td>Total: 20%</td>
<td>Beginning of Block II Lectures</td>
</tr>
<tr>
<td>Group Entrepreneurship Project</td>
<td>Oral: 20%</td>
<td>Block II Tutorials per Tutor: Written portion due by Final Exam date</td>
</tr>
<tr>
<td></td>
<td>Written: 20%</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total: 40%</td>
<td></td>
</tr>
<tr>
<td>Final Examination/Take Home Format</td>
<td>Total: 40%</td>
<td>See Schedule</td>
</tr>
<tr>
<td></td>
<td>Total: 100%</td>
<td></td>
</tr>
</tbody>
</table>

**Please Note:** Assessment of all Assignments will be based on:

- Identification of Key Problem/Opportunity and Applications of Readings and Concepts:
- Theme, Structure & Creativity of the Assignment:
- Approach to Screening, Search & Location of Opportunity (including the industry and its dynamics):
- Conceptual Frameworks, Business Concepts (clearly presented and applied):
- Production, Marketing & Financing Considerations:
- Analysis of Options, based on applied and theoretical concepts:
- Recommendations & Risk Reduction & Credibility Maximisation Tactics:
- Presentation, Style and Significance of the Entrepreneurial Analysis

The above assessment guideline is merely an outline for assessment. Also, some scaling of marks may occur to meet GSM examination guidelines.
The standard of assessment

The Graduate School must ensure that the processes of assessment are fair and are designed to maintain the standards of the School and its students. The School follows the University of Western Australia’s grading system:

- HD (Higher Distinction) 80-100%
- D (Distinction) 70-79%
- CR (Credit Pass) 60-69%
- P (Pass) 50-59%
- N+ (Fail) 45-49%
- N (Fail) 0-44%

The School awards marks leading to these grades by using the following general criteria which are presented here as an indication of the School’s expectations. These general criteria may be supplemented by specific standards provided with regard to a particular assignment.

HD The student has a clear understanding of theory, concepts and issues relating to the subject and is able to adopt a critical perspective. The student is able to clearly identify the most critical aspects of the task and is able to offer a logically consistent and well articulated analysis within the analytic framework presented in the course. The student is able to draw widely from the academic literature and elsewhere but maintains relevance.

D The student has a clear understanding of theory, concepts and issues relating to the subject. The student is able to develop an analysis of an issue using the analytic framework presented in the course and is able to identify and evaluate the critical issues. The student is able to draw upon relevant academic and other material.

CR The student demonstrates an understanding of the analytic framework developed in the course and a partial understanding of concepts and issues. The student is able to identify some key issues and is able to present a logical discussion, but with some conceptual errors or gaps between analysis and conclusions shortercoming. The student is able to draw upon an adequate range of references and other materials.

P The student generally takes a descriptive rather than analytic approach to the subject. The student is able to demonstrate some understanding of the issues involved but does not demonstrate the ability to apply the analytical framework which had been developed in the course. Draws primarily upon course materials for referencing.

N+ The student is unable to demonstrate that he or she understands the core elements of the subject matter. The student is able to provide some insight into issues but misapplies analytic framework developed in course, omitting key factors and, for example, drawing conclusions which are not related to the preceding discussion.

N The student is unable to demonstrate any understanding of the subject matter. Material presented for assessment is unrelated to course framework and shows no effort to identify or address critical aspects of the topic. The scaling of marks to ensure comparability between classes in an acceptable academic practice. The GSM and Board of Examiners has the right to scale marks where it is considered necessary to maintain consistency and fairness.
Assessment components

Individual Assessment: Assignment #1 (Individual Assessment) “Is Entrepreneurship for Me?”    This assignment should 1) discuss the meaning of entrepreneurship (in terms of the readings, and to you individually); 2) discuss whether you feel that you personally have an interest in becoming an entrepreneur (While it is not a requirement for the course to “be an entrepreneur,” a candid self assessment of entrepreneurship tendencies, or potential for contributions to creating new ventures in terms of strengths, weaknesses, career objectives, and personal perceptions of risk is requested. There is no penalty for concluding that entrepreneurship is not your future career path, but a clear discussion of why entrepreneurship is not for you is requested); 3) discuss some entrepreneurs whom you respect and why; and, 4) discuss how you would go about becoming an entrepreneur, even hypothetically (including criteria for searching for and assessing opportunity). You may choose to attach and share private thoughts, or a record of ideas and insights which occur to you during the class, about entrepreneurial goals or reservations about a career in entrepreneurship. You are also encouraged to include concepts from the readings. This assignment is worth 20% of your grade.

Individual Assessment: Assignment #2: You will have a take-home final examination, to be completed within 3 hours and 10 minutes of time, governed by the University of Western Australia academic code of honesty. There will be four questions of equal weight. This assignment is worth 40% of your grade.

Group Assessment: Identifying and developing an Entrepreneurial Concept. “First, Form a Board of Directors for your Group and Prepare a Business Plan for a New Venture.” You may explore the feasibility of a new concept or idea, or methodically plan a new venture. Students have the opportunity to select a new venture idea to start a new business, decided on by the Group. Written reports average 6,000 words, and additional appendices may be attached. It is important to assure equitable sharing of tasks among Group members, such as conceptualisation, compiling meaningful data on the market, projection of sales and costs, operational challenges, cash flow and financial assessments, and strategic directions for the firm. Students should develop contacts with key “informants” within their target industry and maintain communication to remain aware of trends in their chosen marketplace. It is also important to apply the tools learned in the course to this undertaking. Please hand in one copy of the written report, and prepare to make an oral presentation of your findings during the final sessions, and respond to questions from the Lecturer and your classmates. Consult the Course Reader and subsequent handouts for additional guidelines, especially the Timmons (1994) Screening New Ventures handout. The Names of Group Members must be submitted by the Second Class Meeting. This assignment is with 40% of your grade, divided equally between (a) an oral presentation presented within your tutorial class, and (b) a written component (approximately 6,000 words) handed in at the completion of the course.

Submission of assignments

Assignments should be submitted by handing into the office; a standard cover sheet should be used and a receipt issued.

Late assignments will attract a penalty of 5% per day. This penalty will be waived by the lecturer only in exceptional circumstances. No marks will be awarded to assignments submitted after other students in the class have had their assignments returned.

Assignments will be returned in class or through the GSM reception.

It is the intention that the marked assignments will be returned within two weeks of submission.
ETHICAL SCHOLARSHIP, ACADEMIC LITERACY AND ACADEMIC MISCONDUCT

Ethical scholarship is the pursuit of scholarly enquiry marked by honesty and integrity.

Academic Literacy is the capacity to undertake study and research, and to communicate findings and knowledge, in a manner appropriate to the particular disciplinary conventions and scholarly standards expected at university level.

Academic misconduct is any activity or practice engaged in by a student that breaches explicit guidelines relating to the production of work for assessment, in a manner that compromises or defeats the purpose of that assessment. Students must not engage in academic misconduct. Any such activity undermines an ethos of ethical scholarship. Academic misconduct includes, but is not limited to cheating, or attempting to cheat, through:

- Collusion
- Inappropriate collaboration
- Plagiarism (see more details below)
- Misrepresenting or fabricating data or results or other assessable work
- Inappropriate electronic data sourcing/collection
- Breaching rules specified for the conduct of examinations in a way that may compromise or defeat the purposes of assessment.

Penalties for academic misconduct vary according to seriousness of the case, and may include the requirement to do further work or repeat work; deduction of marks; the award of zero marks for the assessment; failure of one or more units; suspension from a course of study; exclusion from the University, non-conferral of a degree, diploma or other award to which the student would otherwise have been entitled. Refer to the Ethical Scholarship, Academic Literacy and Academic Misconduct and individual Faculty policies. For further information on the rules and procedures in respect of appropriate academic conduct you should visit:
http://www.teachingandlearning.uwa.edu.au/tl/academic_conduct

Acknowledgements and plagiarism

In the course of your individual and group work assignments, you will encounter ideas from many sources. These will include journal and newspaper articles, commentaries, books, web sites and other electronic sources, original case sources, lecture materials. All MBA assignments that you submit must acknowledge all the different sources you have used. Not to acknowledge your sources is plagiarism, a form of dishonesty. Plagiarism is the misappropriation of the work or ideas of others and presenting them as your own. This is reprehensible from both an ethical and legal viewpoint. Neither the School nor the University accepts ignorance or the fact that a student’s previous acts of plagiarism had been undetected as a defence.

In order to avoid engaging in plagiarism it is your responsibility to acknowledge all of your sources in any work submitted for assessment and it is essential that you reference the work of others correctly. Where you quote directly from a source, you must ensure that any direct quotations are placed in quotation marks and are fully referenced. Even when you do not quote directly and are just referring to or expanding on the work of others, you must still acknowledge the sources of your information and ideas. Close paraphrasing in which you change a few phrases around, leave a clause out of a long sentence or put the original sentences in a different order is still plagiarism. To mark words as a quotation the entire text that has been coped should be enclosed within quotation marks. If the copied text is four or more lines in length, it may be more appropriate to set it as a separate and indented paragraph. Each time that text is copied, the source must be acknowledged with a reference citation, including the page number.

Advice on proper referencing is given below. If you have any doubts concerning appropriate referencing formats or how to acknowledge the work of others correctly, you should seek the advice of your lecturer.
Referencing

It is important that the referencing of any sources used in your written work is done properly, if only to substantiate the points you are making in your assignment or project. The Harvard style is the preferred and there are some notes for guidance which have been prepared by the library staff: ‘Citing your sources Harvard Style’

Endnote is a really good system for building up a database of references. Not everyone will want to invest the time in using this system but you should consider it if you intend to build up resource materials or plan to undertake extensive research in a particular area. The library staff have also developed a tutoring package: ‘A quick Guide to Using EndNote’ which provides the basics for using EndNote with an essay

This is linked to from the how to Use End Note page www.library.uwa.edu.au/guides/endnote/ which provides more comprehensive information.

Appeals against academic assessment

In the first instance, students are strongly advised to talk informally to the lecturer about the grade awarded. The University provides the opportunity for students to lodge an appeal against any mark which he or she feels is unfair. Any student making an appeal is under an obligation to establish a prima facie case by providing particular and substantial reasons for the appeal.

There is a 12 day time limit for making any such appeal. An appeal against academic assessment may result, as appropriate, in an increase or decrease in the mark originally awarded. The University regulations relating to appeals and the form on which the appeal should be lodged can be found in the GSM website or at

Taping of Lectures

The Graduate School does not provide tape recordings of lectures, however if you do wish to tape record a lecture then as a matter of courtesy, you should obtain the permission of the lecturer first.