Goergen Entrepreneurial Management Program

Description of the MBA Entrepreneurial Management Major and Courses
2014-2015 Academic Year

Overview

The Wharton School’s academic program of entrepreneurial courses is known as the Goergen Entrepreneurial Management Program. The program was endowed in 1997 by Robert B. Goergen (WG’62) to foster the development of the next generation of Wharton student and alumni entrepreneurs. The Goergen Program aims to provide an excellent set of courses and to enhance faculty development by supporting the outstanding research on which Wharton’s entrepreneurial curriculum is based.

At the Wharton School, entrepreneurship is one of four sub-fields of scholarship within the discipline of Management. All of the Goergen Entrepreneurial Management Program’s entrepreneurial management courses are offered through the Management Department. Five standing faculty members and a core group of associated instructors teach courses in the Program, bringing a robust mix of entrepreneurial theory and practice into the classroom. Professor Raffi Amit, the Robert B. Goergen Professor of Entrepreneurship, serves as the Academic Director of the Goergen Entrepreneurial Management Program.

The Entrepreneurial Management major provides MBA students with skills, analytical tools, perspectives, and experiences that prepare them for careers as autonomous entrepreneurs, family-business entrepreneurs, or entrepreneurs in corporate settings. Whether a student wants to start a business while in school, join an emerging business, or set the groundwork to launch a new firm later in his or her career, the program aims to provide preparation for all of these exciting options. Entrepreneurial skills and thinking are actively sought by more competitive and profitable growing businesses. The special strength of this program is that it combines theory with practice, providing students the opportunity to test the theories, models, and strategies learned in the classroom by creating real business plans, working on other field projects, and gaining access and insight from leaders in the entrepreneurial business community.

Part One of this document outlines the requirements for the MBA Entrepreneurial Management major. Note that all students are required to take MGMT 801, the foundation entrepreneurial course. The remaining Entrepreneurial Management courses that make up the major provide opportunities to focus on specific topics in entrepreneurship.

Part Two provides descriptions of the courses offered by the Goergen Entrepreneurial Management Program. Please note that other departments at Wharton (e.g., Marketing, Finance, Legal Studies, and Operations and Information Management) also offer courses that focus on entrepreneurial topics.

For more information, please see the following websites:

Wharton Entrepreneurship: http://entrepreneurship.wharton.upenn.edu/default.aspx
Wharton Management Department: http://www.wharton.upenn.edu/faculty/acad_depts/mgmtdept.cfm
Part One: Requirements for the Entrepreneurial Management Major

The major consists of a total of 5.0 credit units, one of which is a part of the first-year Management Core:

a) One credit unit (1.0 cu) of the Management Core (any combination of Management core courses up to a maximum of 1.0 cu)

b) MGMT 801: Entrepreneurship (0.5 cu) is required for the major and cannot be waived or substituted. Students are recommended (but not required) to take this foundation course before the elective courses listed in section ‘c’ below.

c) Three and a half credit units (3.5 cu) of the following:
   - FNCE 750 Venture Capital and the Finance of Innovation
   - HCMG 866 eHealth: Business Models and Impact
   - HCMG 867 Health Care Entrepreneurship (0.5 cu)
   - LGST 813 Legal Aspects of Entrepreneurship
   - MGMT 731 Technology Strategy (0.5 cu)
   - MGMT 766 Family Enterprise Management
   - MGMT 802 Change, Innovation and Entrepreneurship (0.5 cu)
   - MGMT 804 Venture Capital and Entrepreneurial Management (0.5 cu)
   - MGMT 806* Formation and Implementation of Entrepreneurial Ventures
   - MGMT 809 Private Equity in Emerging Markets (0.5 cu)
   - MGMT 810* Social Entrepreneurship
   - MGMT 811 Entrepreneurship through Acquisition (0.5 cu)
   - MGMT816 Building Human Assets in Entrepreneurial Ventures (0.5 cu)
   - MGMT 833 Strategies and Practices of Family-Controlled Companies
   - MGMT 893 Advanced Study Project in Entrepreneurial Management (0.5 cu or 1 cu)
   - MGMT 899 Independent Study in Entrepreneurial Management (0.5 cu or 1 cu)
   - MKTG 781 Entrepreneurial Marketing (0.5 cu)
   - MKTG 890** Global Consulting Practicum (only 1.0 cu can count toward the major)
   - OPIM 614 Managing the Productive Core of the Firm: Innovation (0.5 cu)
   - OPIM 651 Innovation, Problem Solving, and Design (0.5 cu)
   - OPIM 654 Product Design and Development (0.5 cu)
   - OPIM 662 Enabling Technologies
   - REAL 891 Real Estate Entrepreneurship (0.5 cu)

*MGMT806 and MGMT810 apply a common theoretical framework to businesses with differing value propositions; therefore, students should not plan their course of study to include both of these courses.

**Only 1 cu of MKTG890, Global Consulting Practicum, can be counted toward the major and needs approval by the department.

d) Optional: a maximum of one credit unit (1.0 cu) of the following courses may be substituted for 1.0 cu of elective courses listed under (c) above:
   - FNCE 751 Finance of Buyouts and Acquisitions
   - MGMT 691/OPIM 691/LGST 806 Negotiations
   - MGMT 721 Corporate Development: Mergers & Acquisitions
   - MGMT 773 Managing Organizational Change
MKTG 753  New Product Management (0.5 cu)
MKTG 755  Advertising Management (0.5 cu)
MKTG 756  Marketing Research
MKTG 777  Marketing Strategy

*Only 1 cu of Advanced Study Project including Global Modular Courses may count towards the Goergen Entrepreneurial Management elective requirements stated in (d) above and must have approval from the department.

Students may petition to substitute other courses toward the requirements of the major. Such requests will be expected to demonstrate that the student is pursuing a coherent plan of entrepreneurial management studies at Wharton. Petitions should be sent in writing to the Entrepreneurial Management academic advisor (below).

**Student Advising on Major Requirements and Course Selection:** Nellie Gaynor, Associate Director of Wharton Entrepreneurship, provides academic advising for the program (4th Floor Vance Hall). Send an email to nelliebk@wharton.upenn.edu to request an advising appointment or ask questions.

**Part Two: Courses Offered by the Goergen Entrepreneurial Management Program**

*Please note: Syllabi for courses offered by the Goergen Entrepreneurial Management Program are posted online.*

For course days/times, see the course timetable on the Penn Registrar’s website: http://www.upenn.edu/registrar/

MGMT 766 (1.0 cu)
**Family Enterprise Management** (full semester)
**Instructor:** Staff (Fall)
**Semester/Quarter:** Fall
**Description:** This class will examine the causes and consequences of the creation of family fortunes, with a focus on the practical implications for family decision-making. We will discuss psychological characteristics associated with the typically entrepreneurial creators of family wealth; with their children, whose childhood development takes place in the context of growing businesses and accumulating wealth; and with their grandchildren and beyond, whose childhood development occurs in the context of established and often very public wealth, to build a comprehensive view of the interplay between family dynamics and economic decision making. Note that this class’ focus will be on behavioral aspects of family dynamics in a wide range of decision settings, rather than on management of an operating business per se. While this class will be particularly relevant to individuals aspiring to create their own family fortunes or whose ancestors have already done so, it will also be useful for individuals interested in foundation management, non-profit fund-raising or businesses catering to the very wealthy such as asset management and luxury retail.
**Format:** The class will consist of a mixture of lectures, case discussions and class exercises. Submission of several written case studies, and a final examination are required.
MGMT 801 (0.5 cu)  
**Entrepreneurship** (½ semester)  
Instructor: Ethan Mollick (Fall) and Laura Huang (Spring)  
Semester/Quarter: Fall/Q1, Q2 and Spring/Q3, Q4  
**Description:** MGMT 801 is the foundation course in the Entrepreneurial Management program. The purpose of this course is to explore the many dimensions of new venture creation and growth. While most of the examples in class will be drawn from new venture formation, the principles also apply to entrepreneurship in corporate settings and to non-profit entrepreneurship. We will be concerned with content and process questions as well as with formulation and implementation issues that relate to conceptualizing, developing, and managing successful new ventures. The emphasis in this course is on applying and synthesizing concepts and techniques from functional areas of strategic management, finance, accounting, managerial economics, marketing, operations management, and organizational behavior in the context of new venture development. The class serves as both a stand alone class and as a preparatory course to those interested in writing and implementing a business plan (the subject of the semester-long course, MGMT806).  
**Format:** Lectures and case discussions  
**Requirements:** Class participation, interim assignments, final project.  
**Prerequisites:** Wharton MBA students only.

MGMT 802 (0.5 cu)  
**Change, Innovation & Entrepreneurship** (½ semester)  
Instructor: Ian MacMillan  
Semester/Quarter: Spring/Q3, Q4  
**Description:** This course will provide you with a theoretical foundation and a set of practical tools for the management of innovation, and the change associated with it, both in corporate settings and start-up situations. For the purposes of the course innovation is defined as the profitable commercialization of a new idea: product, market, process or technology. The theoretical background will be provided by multiple readings, your knowledge of which will be tested in a readings report. The practical tools will be provided via lecture/discussion sessions, your skills at which will be demonstrated in an innovation assessment for an actual innovation opportunity. In addition the teams will be required to present a proposed game-changing innovation that reconfigures the basis of competition in a selected industry.  
**Format:** Lectures, discussion, interim reports, class participation, readings report and presentations.  
**Prerequisites:** MGMT801 strongly recommended.

MGMT 804 (0.5 cu)  
**Venture Capital and Entrepreneurial Management** (½ semester)  
Instructor: Xu (Henry) Han (Fall) and Stephen Sammut (Spring)  
Semester/Quarter: Fall/Q1 and Spring/Q3  
**Description:** This elective half-semester course focuses on venture capital management issues in the context of the typical high-growth start-up company. The course is fundamentally pragmatic in its outlook. It will cover seven principal areas relevant to the privately held high-growth start-up—these include:  
- Commentary on the venture capital industry generally, as well as a discussion of the typical venture fund structure and related venture capital objectives and investment strategies  
- Common organizational issues encountered in the formation of a venture backed start-up, including issues relating to initial capitalization, intellectual property and early stage equity arrangements  
- Valuation methodologies that form the basis of the negotiation between the entrepreneur and the venture capitalist in anticipation of a venture investment
• The challenges of fundraising, financing strategies and the importance of the business plan and the typical dynamics that play out between VC and entrepreneur
• Typical investment terms found in the term sheet and the dynamics of negotiation between the entrepreneur and the venture capitalist
• Compensation practices in a venture capital backed company
• Corporate governance in the context of a privately-held, venture capital-backed start-up company and the typical dynamics that play out between VC and entrepreneur in an insider-led, “down round” financing

Format: Lecture, case studies, class participation, weekly case assignments, and a quiz.
Requirements: Classroom participation, weekly case assignments, and final exam
Prerequisites: MGMT801 recommended

MGMT 806 (1.0 cu)
Formation and Implementation of Entrepreneurial Ventures
Instructor: Patrick FitzGerald and Tyler Wry (Spring)
Semester: Fall and Spring
Description: This advanced course in entrepreneurship centers on writing a comprehensive business plan and implementation plan for a venture of your choice. The course examines ways to profitably launch and exploit business opportunities (as opposed to what opportunity to explore). It will allow you to acquire the skill set necessary for crafting a winning business model for your venture – developing and writing a coherent and effective plan to start a business, in either an independent or a corporate setting. The venture must distinguish itself from existing companies through differential innovation; for example, through an innovative product or service, an innovative production process, a new business model, or by creating a new market. **Students must have successfully completed MGMT801 before enrolling in this course.**

Format: Highly interactive
Requirements: Class participation and interim assignments.
Prerequisites: MGMT 801 REQUIRED. MKTG756: Marketing Research is recommended.

Special Note: MGMT806 and MGMT810 apply a common theoretical framework to businesses with differing value propositions; therefore, students should not plan their course of study to include both of these courses.

MGMT 809 (0.5cu)
Private Equity in Emerging Markets (½ semester)
Instructor: Stephen Sammut
Semester/Quarter: Spring/Q3
Description: This course is designed to provide students with a practical understanding of private equity issues focusing on emerging market and frontier country environments. The underlying premise of the course is that private equity in these countries is a distinctly different asset class than in industrialized countries for a number of reasons that will be identified and analyzed by students, such as valuation, corporate governance standards and practices, contract enforcement and regulations, and exit alternatives. Students will assess these differences that heighten the risks for private equity investors in emerging markets and explore how they can be successfully mitigated. The course will be analytically rigorous and require a high level of weekly preparation and class participation. The case method of teaching will predominate, allowing students to gain a realistic understanding of the roles, responsibilities and analytical skills required of practitioners, and the tensions that arise between the various stakeholders, including government officials who formulate regulations and policies that effect PE investor behavior and performance. Cases will highlight the challenges and tasks performed at each stage of the investment cycle, such as structuring a new fund, originating investment
opportunities, conducting due diligence, monitoring and creating value in portfolio companies, and exiting.

**Prerequisites:** Completion or waiver of FNCE601.

**MGMT810 (1.0 cu)**  
**Social Entrepreneurship**  
**Instructor:** Ian MacMillan  
**Semester/Quarter:** Spring  
**Description:** The basic thesis of this elective course is that some societal problems, if attacked entrepreneurially, create opportunities for launching businesses that simultaneously generate profits and alleviate the societal problem. This approach generates societal wealth as well as entrepreneurial wealth. The course is distinguished from public sector initiatives to address social problems. Student teams are expected to develop a plan to launch a social enterprise. The teams will also generate presentations of two proposals focused on the identification of opportunities for large established firms to create a bottom of the pyramid business that will significantly boost social wealth in a target country.  
**Format:** Lecture, discussion, live case studies (discussions of progress reports of students’ own ventures), nation-boosting presentations.  
**Requirements:** Classroom participation, interim assignments, readings report, and final business plan  
**Prerequisites:** MGMT801 strongly recommended.

**Special Note:** MGMT806 and MGMT810 apply a common theoretical framework to businesses with differing value propositions; therefore, students should not plan their course of study to include both of these courses.

**MGMT 811 (0.5 cu)**  
**Entrepreneurship Through Acquisition (½ semester)**  
**Instructor:** Robert Chalfin  
**Semester/Quarter:** Fall/Q1, Q2 and Spring/Q3, Q4  
**Description:** MGMT 811 focuses on the theoretical, strategic, analytics, and practical issues of acquiring a business. Topics include: locating a business, due diligence, reviewing and analyzing data, valuation, raising capital/financing the deal, structuring the acquisition, letters of intent, contracts/asset purchase agreements, and integrating the target.  
**Format:** The class consists of lectures, in-class discussions of caselets, assigned readings, homework problems, and a group or individual project.  
**Prerequisites:** MGMT 801 recommended.

**MGMT 816 (0.5 cu)**  
**Building Human Assets in Entrepreneurial Ventures (½ semester)**  
**Instructor:** Staff  
**Semester/Quarter:** Spring/Q3  
**Description:** The success of entrepreneurial endeavors depends, even more so than in larger more bureaucratic organizations, on the ability to locate and manage talent effectively. Specifically, on the need to find the right people and keep them engaged in working on the organization’s goals. We focus in this course on leading, building, and maintaining human assets in start-up and small, growing operations. The course is designed with several key components, these are: conceptual and practical readings relevant to the topic; case studies illustrating key concepts and issues; lecture on practical application and examples; and lastly every class will also feature a presentation by and conversation with an outside expert whose work is relevant to guiding or advising start-ups and fast-growing small firms. We will focus on the following objectives: identifying the talent needed to initiate and sustain
an entrepreneurial endeavor; structuring human resource policies and corporate culture to prepare for
and facilitate firm growth; assessing the human aspects of valuing entrepreneurial companies; and
responding to conflict and organizational threats within nascent firms. This course will apply recent
research from strategic human resource management, personnel economics, and organizational
behavior to the practical issues of building and managing human assets in new ventures.

**Format:** Case discussion, guest speakers and lectures, active class participation, final project.

**Prerequisites:** MBA students only.

MGMT 833 (1.0 cu)
Strategies and Practices of Family-Controlled Companies
Instructor: William Alexander
Semester: Spring

**Description:** This course is designed for those persons who desire to understand the distinct
strategies and practices of family-controlled companies and family wealth management. It will focus
on shareholder decision making; financial and market driven options for long-run competitiveness,
organizational structures and management team issues; strategic planning from a resource-based
perspective; transition planning for the corporate entity, wealth, leadership and relationships; family
dynamics and communication issues; and leadership empowerment. The course is intended for those
who plan to consult or provide professional services to family-controlled companies and for those
planning a career in a family firm.

**Format:** The class is structured around topical lectures with frequent utilization of case studies
requiring active class participation, as well as on-site and off-site project work time. Submission of
several written case studies, and two take home examinations are required.

**Prerequisites:** Open to Wharton MBA and Penn graduate students.

MGMT 893 (0.5 or 1.0 cu)
Advanced Study Project for Entrepreneurial Management

**Description:** Special permission required. ASP topics can be individually selected by the student
with the advice and consent of any instructor in the Management Department. In addition, in any given
semester, instructors in the Goergen Entrepreneurial Management Program may offer organized ASPs.
All ASP registrations require the written consent of the instructor and appropriate section number on
the registration form. Students should go to the Wharton Entrepreneurial Programs Office to receive
faculty section numbers. If the proper approval is not obtained, registration is not valid.

MGMT 899 (0.5 or 1.0 cu)
Independent Study Project for Entrepreneurial Management

**Description:** Special permission required. ISP topics can be individually selected by the student
with the advice and consent of any instructor in the Management Department. All ISP registrations require
the written consent of both the instructor and the Wharton Entrepreneurship Office on the registration
form. Students should go to the Wharton Entrepreneurship Office to receive ISP section numbers. If
the proper approval is not obtained, registration is not valid.

To access an ISP/ASP registration form (as well as other MBA Program Office forms) see:
http://spike.wharton.upenn.edu/mbaprogram/Forms_and_Surveys/forms_home.cfm