EMBA Entrepreneurial Strategy

Spring 2024
Bidding Syllabus

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Course #: B8586-100

Section 1

Section 2

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ENTREPRENEURIAL STRATEGY

Class Overview

The class Entrepreneurial Strategy develops an understanding of the drivers of startup performance and competitive advantage. It has been fully re-vamped this year to develop more directly a systematic study of startup strategies through case-based discussion. Changes include more readings and a full set of teaching notes on competitive advantage, additional guests during lectures, and more individual assignments on the drivers of startups featured in each of the cases.

The class is intended to create a foundational understanding of competitive advantage in startups, within the traditional startup’s significant uncertainty, rapidly evolving trends, and limited track record and traction to prove its potential.

The tools developed in this class should be helpful to students trying to launch and develop their own startups, students interested in joining new startups, students evaluating new ideas within the corporate context, and students working in venture capital and private equity who need to understand the underlying potential of startups and young firms.

Class Structure

Grade Overview

This class is composed of in class participation and several individual assignments.

- **20% In class participation.** This is a case-based class that is no different than any other strategy class at Columbia. Students are expected to prepare cases by reading them thoroughly, and contribute to class by sharing their own perspective and experiences.

- **60% 1-page class memos.** The class has four in-class memos on a reflection of the topic of the class on a startup of your choice. Class memos are due the Monday before class two, class three, class four, and class five.

- **20% take-home case.** A final case take-home 3-page write-up is required. The final exam requires answering 3 questions about a startup based on class discussion. It is due a week after the last day of class.
Class Schedule
(Case assignments are preliminary)

Class 1: Entrepreneurial Ideas and Decision-making

Entrepreneurs begin with a novel hypothesis on how to create and capture value. However, the very novelty of this idea makes it impossible to find any market data to study the value proposition analytically. How can entrepreneurs make decisions in the face of significant uncertainty? How can they validate their hypothesis and improve it over time? In other words, what is the nature of entrepreneurial decision-making for strategic success?

This lecture develops the tools and understanding of the entrepreneurial process of learning and iteration through hypothesis development and testing, which allows founders to focus on more ambitious and riskier ideas, by understanding also how they will adapt and learn along the way.

Related Readings
* Guzman, Jorge. 2023. “Lecture Notes: Entrepreneurial Decision-making”

Case

Class 2: Entrepreneurial Competitive Advantage: Technology and Intellectual Property

Entrepreneurs often build their competitive advantage by creating or betting on a new technology -- such as artificial intelligence, work-from-home, or cryptocurrencies – and its evolution. However, predicting the evolution of specific technologies can be difficult, and (even when succeeding) the ability to protect innovations in a specific technological space is uncertain.
This lecture focuses on two goals. First, we cover a systematic framework to understand technologies and their evolution, as well as how can founders make smart bets, considering the important differentiation of being a developer vs an early user of a technology. Second, we understand ways to carve out a lasting competitive advantage through technology, including product design, intellectual property (i.e., patents), and speed.

**Related Readings**


**Case**


**Class 3: Entrepreneurial Competitive Advantage: Customer Innovations**

Entrepreneurs often create a competitive advantage by focusing on new customers or new ways to create value for them. This lecture explores the importance of developing a clear customer value proposition and understanding the evolution of customer profiles during the scaling of a startup.

Developing a strong customer value proposition includes understanding how to identify new value combinations, validate whether these represent emerging markets, and manage the process through which a startup transitions from a niche of avid consumers to a mainstream group by ‘crossing the chasm’.

**Related Readings**


**Case**

Class 4: Entrepreneurial Competitive Advantage: Founders, Organization, and Location

A startup’s competitive advantage is often anchored on the uniqueness of a founder, their passion and interests, the organization they build, or where they are located.

This lecture systematically explores how these ‘personal’ elements shape the performance of a startup and the type of choices that founders face. We begin by considering a founder’s identity and goals, then focusing on the type of organization built, and the role of place of business on both startup choices and performance.

Related Readings

*Guzman, Jorge. “Lecture Notes: Founders, Organization, and Location.”

Case

TBD

Class 5: Market Dynamics: Incumbent Blind Spots, Rivals, and Competition and Collaboration

A strategy only becomes real when startups participate in the market, crafting collaborative and competitive strategy with incumbents and other startups alike. This lecture focuses on understanding the process of collaboration and competition implemented by startups. We develop an understanding of the compete-collaborate tradeoff between startups and incumbents, the role of other startups in the same space, and break down the essential elements of value chain integration strategies and disruption strategies.

Related Readings

*Guzman, Jorge. 2023. “Lecture Notes: Thinking About Competition”
Class 6: Value Beyond the Firm: Platforms and Ecosystems

The way startups create and capture value typically does not only depend on the specific company’s product but on the way this product brings together intermediaries and creates value through complements.

This lecture focuses on understanding the nature of platform strategies and the sources of value and competitive advantage in an ecosystem-based strategy. It particularly focuses on three questions (a) what are the core principles of marketplace design, and how do ecosystem startups create and capture value? (b) what are the risks and benefits of an ecosystem-based strategy? and (c) how can a startup develop an ecosystem-based strategy, and particularly bring in complementors, when there is little value to be provided to them?

Related Readings
*Guzman, Jorge. 2023. “Lecture Notes: Platforms and Ecosystems”

Case