



IDENTIFYING AND MANAGING BUSINESS OPPORTUNITIES (IMBO)

Master of Science in Digital Business, Data Analysis and Management (MSc DBDAM)

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COURSE DESCRIPTION

How do firms discover and exploit new product-market opportunities to create value and sustain competitive advantage? Entrepreneurship is the art of recognition and exploitation of opportunities. Entrepreneurship is valuable in the establishment of new ventures as well as within existing organizations. Discovering business opportunities requires that individuals not only possess knowledge, but that they also have the cognitive abilities that allow them to value and exploit that knowledge within teams. The course is organized in interactive sessions aimed at helping you explore the cognitive processes to identify and leverage business opportunities within organizations and to develop analytical and critical reasoning skills with a strong emphasis toward practice. To this aim, as an essential part of the course, you will work on a product-market proposal, which will consist of exploring a new product-market opportunity for a selected technology-based firm.

COURSE OBJECTIVES

The objectives for the course are as follows:

- a. Understand processes that shape entrepreneurial behavior and enable individuals and organizations to identify and effectively exploit opportunities and the factors explaining why some people and not others exploit opportunities.
- b. Acquire the basic jargon necessary to discuss, in a consistent and precise manner, entrepreneurship issues. Characterize business opportunities and design the cognitive process to value and exploit them.
- c. Know how to develop the individual skills and organizational competences supporting entrepreneurial activity, as well as the practices with the external environment that may leverage those skills and competences.
- d. Implement the methods and practices to identify and leverage business opportunities.

LEARNING ENVIRONMENT

A willingness to attend, prepare classes in advance, and participate actively is the central ingredient for succeeding in this course. A few essential points concerning our classes:

- a. **Attendance is mandatory.** If you have to miss a class, I expect you to notify me by email (bruno.cirillo@skema.edu) in advance.
- b. **Classes start on time.** I do arrive punctually to class and I expect you do the same.
- c. **You have to read and prepare the required readings before each class.** I plan to be prepared for every class and I expect you to do the same (see the course outline below for details).

PEDAGOGICAL APPROACH

We will use a combination of (a) theory, (b) case studies and (c) a team project.

- a. **Theory blocks** will introduce theoretical and conceptual frameworks, which will help analyze problems and develop solutions to deal with these situations. In each session I will (i) introduce you with a relevant **problem**; (ii) **present theory** that explains a framework; (iii) **show application cases** on different industry and company situations (for instance, videos and readings); and (iv) support your learning and understanding with **in-class activities** (for instance **experiments, quizzes and debates**).
- b. **Case studies** will help apply theoretical frameworks and methodologies in order to analyze and discuss different industry and company situations. In some sessions, you are assigned a **case study** and **preparation questions**. Before the session, you will read, fully understand the case, and **prepare a discussion** based on preparation questions. During the session, we will work on an assignment that I will provide in class. Class discussion will follow (active participation is mandatory and individually graded).
- c. The **team project** is meant to help you become familiar with identifying and leveraging business opportunities within established organizations. The project will consist of **exploring new product-market opportunities** for a selected technology-based firm. You will be assigned to small teams and work both *in-class* (during dedicated sessions) and *off-class* (during the course term) under my supervision and advices, on a proposal for product-market developments at the selected firm (further details will be provided in class).

COURSE MATERIAL

No textbook is required for this course. A course pack with **required readings** and other material is available on the course folder on the K2 platform. Other supporting material (e.g., slides) will be posted on the course folder after each session.

COURSE OUTLINE

You are expected to prepare each session in advance. The required readings for this purpose are listed below. Some of these readings are essential to attend the session and you have to prepare them in advance (i.e., see the *required readings in advance*). If a session requires *readings in advance*, before the session you will read, fully understand the reading, and prepare a discussion based on the preparation questions provided below.

Session	Date ¹	Topics and required readings
Session 1	8 Jan	<p>Introduction to the course Entrepreneurship theory and practice</p> <p><i>Readings (read after class):</i></p> <ul style="list-style-type: none"> • Busenitz, L. W., J. B. Barney, (1997). Differences between entrepreneurs and managers in large organizations: Biases and heuristics in strategic decision-making. <i>Journal of Business Venturing</i>, 12(1), 9-30. • Laureiro-Martinez, D. (2014). Cognitive control capabilities, routinization propensity, and decision-making performance. <i>Organization Science</i>, 25(4), 1111-1133. • Sarasvathy, S. D. (2001). Causation and effectuation: Toward a theoretical shift from economic inevitability to entrepreneurial contingency. <i>Academy of Management Review</i>, 26(2), 243-263. • Shane, S. (2000). Prior knowledge and the discovery of entrepreneurial opportunities. <i>Organization Science</i>, 11(4), 448-469.
Session 2	15 Jan	<p>The individual side of opportunity recognition and exploitation</p> <p><i>Required reading in advance:</i></p> <ul style="list-style-type: none"> • <u>Case study</u>: Chereau, P., & Cirillo, B. (2015). ARECO: A full steam ahead. The Case Center: case #815-040-1. <i>(a printout is available from the instructor)</i> • <u>Preparation Questions</u>: <ol style="list-style-type: none"> 1. What opportunity did the entrepreneur create/discover? Can you quantify it? How did he identify the opportunity? 2. What challenges did he face to start ARECO? What critical decisions did he have to take? 3. Explore additional information on ARECO and IMRA at https://www.airrefreshingcontrol.com/ and http://www.imra-europe.com/#/home <p><i>Other readings (read after class):</i></p> <ul style="list-style-type: none"> • Cirillo, B., Breschi, S., A. Prencipe (2018). Divide to connect: Corporate spinouts as linking contexts of intra-corporate networks. <i>Research Policy</i>. https://doi.org/10.1016/j.respol.2018.05.002 • Cirillo, B., Brusoni, S., G. Valentini (2014). The rejuvenation of inventors through corporate spinouts. <i>Organization Science</i>, 25(6), 1764–1784. https://doi.org/10.1287/orsc.2013.0868
Session 3	22 Jan	<p>The organizational side of opportunity recognition and exploitation</p> <p><i>Required reading in advance:</i></p> <ul style="list-style-type: none"> • <u>Case study</u>: Chesbrough, H.W. (2002). Graceful exits and missed opportunities: Xerox's management of its technology spin-off organizations. <i>Business History Review</i>, 76(4) 803-837. • <u>Preparation Questions</u>: <ol style="list-style-type: none"> 1. What challenges did Xerox face in managing its pioneering technologies? 2. Did Xerox recognize opportunities in such technologies? What were these opportunities? 3. What strategies did Xerox carry out for discovering and exploiting new opportunities? Were these strategies successful? <p><i>Other readings (read after class):</i></p>

¹ Dates may be subject to change. Refer to the schedule for your group sessions.

		<ul style="list-style-type: none"> • Chesbrough, H. W., A. R. Garman, (2009). How open innovation can help you cope in lean times. <i>Harvard Business Review</i>, 87(12), 68-76. • Cirillo, B. (2019). External learning strategies and technological search output: Spinout strategy and corporate invention quality. <i>Organization Science</i>. • Shapira, Z., J. M. Shaver, (2014). Confounding changes in averages with marginal effects: How anchoring can destroy economic value in strategic investment assessments. <i>Strategic Management Journal</i>, 35(10), 1414-1426. • Sull, D. N. (2005). Why good companies go bad and how great managers remake them. Harvard Business Press.
Session 4	29 Jan	<p>Managing and extracting value from new business opportunities</p> <p><i>Required reading in advance:</i></p> <ul style="list-style-type: none"> • Luehrman, T. A. (1995). Capital projects as real options: An introduction. Harvard Business School, 9, 1-12. <p><i>Other readings (read after class):</i></p> <ul style="list-style-type: none"> • Nagji, B., G. Tuff, (2012). Managing Your Innovation Portfolio. <i>Harvard Business Review</i>, May: 67-74. • Tong, T. W., Y. Li, (2011). Real options and investment mode: Evidence from corporate venture capital and acquisition. <i>Organization Science</i>, 22(3), 659-674.
Session 5	5 Feb	<p>Tutorial on team projects</p> <p>Analysis of the selected firm's technological advantage and current product-market positioning</p>
Session 6	12 Feb	<p>Tutorial on team projects</p> <p>Identification of a new product or a solution that leverages the firm's technologies</p>
Session 7	19 Feb	<p>Tutorial on team projects</p> <p>Identification of an opportunity window and corporate venturing proposal</p>
Session 8	5 Mar	<p>Team projects presentations</p>
Off-class	12 Mar	<p>Team projects final submission</p>

GRADING

The final grade is the weighted sum of (1) continuous assessment and (2) the team project.

1. CONTINUOUS ASSESSMENT (60% of the final grade)

A willingness to participate actively is one of the central ingredients for succeeding in this course. During the course, I will continuously assess your individual preparation and involvement based on

- (i) in-class quizzes on required readings (25%)
- (ii) your analysis/discussion of case studies (25%)
- (iii) your participation in class discussion (10%)

2. TEAM PROJECT (40% of the final grade)

Each team will work on a report analyzing a new product-market opportunity for a selected company. The name of the company selected for the project will be communicated by the instructor during the first session. A few essential points:

- a. *Team composition.* Each student is assigned to a team by the instructor. Teams composition will be communicated during the first session and cannot be changed.
- b. *Teamwork and submission.* Each team will work on a **written proposal (Word doc)** that identifies and analyzes a new product-market opportunity for the selected firm. A complete guideline on the team project (e.g., expected format and contents, words limit, etc.) will be provided in class. The final version of the proposal will be submitted by email (bruno.cirillo@skema.edu) no later than **March 12**. This deadline is strictly enforced.
- c. *Project evaluation.* I will evaluate your written proposals based on the following criteria:
 - (i) originality/creativity (10%)
 - (ii) relevance of the analysis (10%)
 - (iii) relevance/feasibility of the business opportunity (10%)
 - (iv) clarity of the writing and logical flow (10%)
- d. *Project presentation.* Before the final submission of the team project, each team will present it in class during the last session of the course on **March 5**. During this session, projects will be discussed with the class.

3. BONUS(MALUS)

A willingness to prepare classes in advance and participate actively is one of the central ingredients for succeeding in this course. The instructor reserves the right to allocate a bonus-malus (i.e., by either increasing or decreasing your individual grade) based on your participation during the course.

ACADEMIC INTEGRITY

SKEMA policy on academic integrity will be rigorously enforced. The School does not tolerate academic dishonesty. Academic dishonesty includes plagiarism and cheating in any form, which also includes plagiarizing on other teams' projects and cheating on attendance checks. Plagiarism will be systematically checked. Academic dishonesty will result in a failing grade. Ignorance is not considered an excuse. If you are not sure whether or not something you plan to submit would be considered either cheating or plagiarism, please do not hesitate to ask me.

CONTACTS AND OFFICE HOURS

I will be happy to discuss the course and your progress on an individual basis during office hours.

Dr Bruno Cirillo

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PROFESSOR'S BIOGRAPHY



Prof. Bruno Cirillo

Associate Professor, SKEMA Business School.

Bruno Cirillo holds a PhD in Business Administration and Management at Bocconi University, Milan. He joined SKEMA Business School in 2012, and he has held a visiting position at LeBow College of Business (Drexel University), Philadelphia.

Most of his research is focused on the implications of employee entrepreneurship on corporate strategy, as well as on strategic repositioning, and organizational and individual innovation performance in a variety of industries, including Information and Communication Technology, Medical Devices, Biotech and Pharmaceuticals. He serves as a member of the Editorial Board of Journal of Management Studies. His research has been published in academic journals such as Organization Science and Research Policy, and it has been awarded the 2013 TIM Best Dissertation Award from the Academy of Management, the 2018 SKEMA Best Research Award, and the second prize of the 2018 EBS Best Paper Award in Innovation Management.

At SKEMA, Bruno teaches strategy and corporate entrepreneurship courses in Programme Grande Ecole, Master of Science, and Executive MBA programs.