

ITRN 769: International Entrepreneurship Planning

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Office hours: Wednesday 6-7 pm; Thursday 3-4 pm (faculty office in Arlington)

Course objectives

- Identify the important themes and concepts related to “international entrepreneurship”
- Understand the difference between international entrepreneurship and other types of business and entrepreneurial activities
- Describe conditions that are necessary and supportive for entry within a national context
- Understand theoretical underpinnings of competitive advantage and entrepreneurial processes
- Understand the importance of area studies and country and region-specific factors in conducting analysis, including cultural, human, geographic, political factors
- Identify sources of information for entrepreneurs with a global outlook
- Be able to assess attractiveness for entrepreneurs at the national and industry level
- Operationalize an entrepreneurial idea and tailor this idea within given conditions
- Conduct and present accumulated economic analysis in a brief, practical format

Assignments/Grading

- 1) Country Profile (30%) 15-25 pages
 - a. Select a country and prepare a general evaluation of its attractiveness for market entry of a foreign entrepreneur. This should include a broad analysis of political, economic and social structure. For example – you will want to address demographics of the labor market, the structure of cities, available infrastructure, language, trading partners, etc.
 - b. What would a firm interested in this country need to know?

- 2) Industry Analysis Project (30%) 20-25 pages
 - a. Once you have selected your country and completed its profile, you will examine the types of entrepreneurial opportunities in this country for a particular market. Choose a good that you would bring to this country.
 - i. What type of product or good would you provide – and why is this particular product likely to be successful? Present detailed information about the industry, competitors and environment for entrepreneurial investment for this particular product.
 - ii. This should be based on market research that integrates national and industry specific conditions. Make sure you mention (in brief) a range of determinants that will affect your ability to introduce and distribute this good.

- 3) Feasibility Study (30%) 25 pages max.
 - a. Prepare a feasibility study, based on the business plan readings, for a new start up. *Note: Think of the feasibility study as a business plan without a budget.* This paper may be a follow up to your Industry Analysis Project.

10% of the final grade will come from class participation.

Late assignments will not be accepted.

Plagiarism will result in a “F” grade for the course and disciplinary action as deemed appropriate by the university.

Feasibility Study Format

Your feasibility study should be structured along the following guidelines from the International Entrepreneurship Division at USASBE (note that some sections should be very brief, given the 25 page limit):

1. Title, Author, Date
2. Executive summary
3. Company profile
4. Industry profile
5. Competitor profile
6. Profit analysis
7. Political analysis
8. Social analysis
9. Legal analysis
10. Technical/technological analysis
11. Business objectives
12. Organizational structure
 - a. Firm's strengths, sources of competitive advantage; weaknesses
13. Marketing profile
 - a. How will you determine the firm's marketing strategy? What will it be? What are the major decisions about distribution and pricing considerations – and how are these decided?
14. Financial profile
 - a. How will this prospect be financed? This is NOT a formal budget, just a general discussion of funding.
15. Future objectives
 - a. What happens after this?
16. References
17. Appendices

Readings

(books)

Berstein, D. *How to Prepare a Business Plan*.

Garner, D.R., Owen, R.R. and Conway R.P. (1994) *The Ernst and Young Guide to Financing for Growth*, Wiley.

Lawrence, S.R. (1997) *Shrinking the Globe into your Company's Hands*, Ravye Publishers.

Porter, M.E. (1990) *The Competitive Advantage of Nations*, The Free Press.

Siegel, E.S. Ford, B.R. and Borstein, J.M. (1993) *The Ernst and Young Business Plan Guide*, Wiley.

Journal articles are available online through the George Mason University databases

Recommended Readings

Audretsch, D.B. (Ed) (2003) *SMEs in The Age of Globalization*, Edward Elgar, Northampton.

Searling, J. *The Ernst and Young Resource Guide to Global Markets*

Syllabus

(read texts for the day they are assigned)

August 30

Introduction

September 6

*Introduction to the field of entrepreneurship research

Baumol, W.J. (1953) "Entrepreneurship in Economic Theory," *The American Economic Review*, 58(2): 64-71.

Schumpeter, J.A. (1947) "The Creative Response in Economic History," *The Journal of Economic History*, 7(2): 149-159.

Thornton, P.H. (1999) "The Sociology of Entrepreneurship," *Annual Review of Sociology*, 25: 19-46.

September 13

*Origins of study on international entrepreneurship

McDougall, P.P. and Oviatt, B.M. (2000) "International Entrepreneurship: The Intersection of Two Research Paths," *The Academy of Management Journal*, 43(5): 902-906.

Etemad, H. and Lee, Y. (2003) "The Knowledge Network of International Entrepreneurship: Theory and Practice," *Small Business Economics*, 20(1): 5-23.

September 20

*Conceptualizing international entrepreneurship

Johanson, J. and Valne, J.E. (1990) "The Mechanism of Internationalisation," *International Marketing Review*, 7(4): 11-25.

Oviatt, B.M. and McDougall, P.P. (2005, reprint 1994) "Toward a Theory of International New Ventures," *Journal of International Business Studies*, 36(1): 29-42.

Madsen, T.K. and Servais, P. (1997) "The Internationalization of Born Globals: An Evolutionary Process?" *International Business Review*, 6(6): 561-583.

September 27

* Theoretical framework

*Porter, M.E., *The Competitive Advantage of Nations*:
"The Competitive Advantage of Firms in Global Industries," pp. 33-68
"Determinants of National Competitive Advantage," pp. 69-130
"The Dynamics of National Advantage," pp. 131-178.

GEM Executive Report 2004:
The GEM Conceptual Model, pp. 14-15

October 4 – COUNTRY PROFILE DUE

* Entrepreneurial Firms

McDougall, P.P., Shane, S. and Oviatt, B.M. (1994) "Explaining the formation of international new ventures: the limits of theories from international business research," *Journal of Business Venturing*, 9(6): 469-487.

Knight, G.A. and Cavusgil, S.T. (2004) "Innovation, Organizational Capabilities, and the Born Global Firm," *Journal of International Business Studies*, 35(2): 124-141.

October 11

* Knowledge

Katz, J.A., Safranski, S.R. and Khan, O. (2003) "Virtual Instant Global Entrepreneurship," *Journal of International Entrepreneurship*, 1(1): 43-57.

Audretsch, D.B. and Keilbach, M. (2005) "Entrepreneurship Capital and Regional Growth," *The Annals of Regional Science*, 39(3): 457-469.

October 18

* National (country-specific) factors

Cross-country comparisons
GEM Executive Report 2004:
Executive Summary, pp. 12-13
Entrepreneurship and the Global Economy, pp. 38-41

Kilby, P. (2003) "The Heffalump Revisited," *Journal of International Entrepreneurship*, 1(1): 13-29.

Busenitz, L.W., Gomez, C. and Spencer, J.W. (2000) "Country Institutional Profiles: Unlocking Entrepreneurial Phenomena," *The Academy of Management Journal*, 43(5) 994-1003.

October 25 – **INDUSTRY ANALYSIS PROJECT DUE**

* Considerations for policy

Porter, M.E., *The Competitive Advantage of Nations:*
"Government Policy," pp 617-682

GEM Executive Report 2004:
Implications for policymakers, pp. 42-43

Baumol, W.J. (1990) "Entrepreneurship: Productive, Unproductive and Destructive," *The Journal of Political Economy*, 98*50; 893-921.

Acs, Z.J., O’Gorman, C., Szerb, L. and Terjesen, S. (2005) "Can the Irish Miracle be Repeated in Hungary?" Discussion Papers on Entrepreneurship, Growth and Public Policy #3305, Max Planck Institute of Economics. *Will be emailed to class.*

November 1

Siegel, E.S. Ford, B.R. and Borstein, J.M. (1993) *The Ernst and Young Business Plan Guide*, Wiley.

Berstein, D. *How to Prepare a Business Plan.*

November 8

Lawrence, S.R. (1997) *Shrinking the Globe into your Company’s Hands*, Ravye Publishers.

November 15

Garner, D.R., Owen, R.R. and Conway R.P. (1994) *The Ernst and Young Guide to Financing for Growth*, Wiley.

November 22- - Thanksgiving holiday – **no class**

December 6 – **FEASIBILITY STUDY DUE**

*Review

December 13 – EXAM

Reference books

Acs, Z.J and Audretsch, D.B. (2005) *Handbook of Entrepreneurship Research: An Interdisciplinary Survey and Introduction*, Springer: NY.

Foley, J.F. (2000) *The Global Entrepreneur: Taking Your Business International*, Dearborn: Chicago.

Hisrich, R., McDougall, P and Oviatt, B. (1997) *Cases in International Entrepreneurship*, Irwin: Chicago.

Hitt, M., Ireland, D., Sexton, D. and Camp, M. (Eds.) (2002) *Strategic Entrepreneurship: Creating an Integrated Mindset*, Blackwell: Oxford.

Kluwer International Series on Entrepreneurship

Kluwer International Handbook of Entrepreneurship

Recommended journals

Entrepreneurship Theory and Practice

Small Business Economics

Foundations and Trends in Entrepreneurship

Journal of International Entrepreneurship

Small Business and Enterprise Development

Regional Studies

Academy of Management Journal

American Economic Review

Journal of Technology Transfer

Journal of Business Venturing

Resources (see the International Entrepreneurship Division at USASBE)

American Export Register
<http://thomaspublishing.com>

Association for International Business
<http://www.aib-world.org>

Commercial News USA
<http://www.cnewsusa.com>

Country Commercial Guides
<http://www.stat-usa.gov>

Directory of U.S exporters
<http://www.pierspub.com>

Dow Jones Interactive
<http://www.djinteractive.com>

Dun and Bradstreet
<http://www.dnb.com>

Europages
<http://www.europages.com>

Exportzone
<http://www.exportzone.com>

Guia Export
<http://www.guiaexport.com>

Harmonized Tariff Schedule (HTS)
<http://www.customs.ustreas.gov>

International Trade Statistics Yearbook, UN publication

Kompass International
<http://www.kompass.com>

Center for International Business Education and Research (CIBER)
<http://www.ciber.bus.msu.edu>

U.S. Census Bureau (and NAICS codes)
<http://www.census.gov>

Trade Compass

<http://www.tradecompass.com>

US Association for Small Business and Entrepreneurship (USASBE)

<http://www.usasbe.org>

U.S. Department of Commerce

<http://www.doc.gov>

World Factbook

<http://www.cia.gov>

Foundations

Coleman Foundation

Edward Lowe Foundation

Kauffman Foudation

Venture finance information

FinanceHub

<http://www.financehub.com>

Garage.com

<http://www.garage.com>

Price Waterhouse Coopers Money Tree Survey

VentureOne

<http://v1.com>

Cloudstart

www.cloudstart.com