



EXECUTIVE MBA GLOBAL NETWORK

## EMBA6550 Leading Entrepreneurial Growth

### Course Outline

June 2017

#### Instructors

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#### Class times

Class 1: Friday, June 2, 2017, 8:30 am -12:45 pm  
Class 2: Saturday, June 3, 2017, 8:30 am -12:45 pm  
Class 3: Sunday, June 4, 2017, 8:30 am -12:45 pm  
Class 4: Friday, June 23, 2017, 8:30-11:45 am

Office hours: by appointment

### Instructor Biographies

Charlene Zietsma is an Associate Professor and Ann Brown Chair of Organization Studies, and Director of Entrepreneurial Studies at Schulich. She is internationally renowned for her research on innovation and entrepreneurship, particularly in the areas of sustainable and social innovation. She is currently researching the leadership of entrepreneurial organizations through fast or exponential growth phases.

Steve Parkhill is a transformational leader with over 25 years' experience as a senior executive in the Canadian Food industry with companies such as Maple Leaf Foods, Schneider Foods, Sofina Foods, JS McMillan Fisheries and Rogers' Chocolates. In 2015, Steve founded ScaleAgility, a research and consultancy firm focused on leading high growth firms.

### Course Description

This course focuses on the challenges and strategies associated with "scaling up" entrepreneurial organizations or corporate ventures as they successfully move past the start-up phase and are preparing to rapidly grow into viable, sustainable businesses. Drawing on leading edge international scholarly and practitioner work, and utilizing a dynamic blend of guest speakers, case studies and class discussions, we will explore innovative scaling strategies, discuss implementation tactics for navigating through the relatively chaotic rapid growth phase, and provide insights on how to manage your own personal leadership journey to improve the probability of success for both you and your organization.

### Course Learning Objectives

To enable students to recognize, understand and act to mitigate the challenges involved in growing entrepreneurial firms, and to provide students with a set of tools that can be used to enable entrepreneurial growth. Specifically, students will learn to

- Analyze and evaluate growth opportunities and the options they expose

- Assess growth challenges facing entrepreneurial organizations and generate solutions to mitigate these growth challenges
- Evaluate leader behavior in growth situations and recommend leadership strategies
- Identify key performance indicators for growing firms, and break them down into actionable goals for middle managers and lower level employees

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## Deliverables at a Glance

Your performance in the course will be evaluated through the following components. Each component will be awarded a letter grade and a final letter grade for the course will be calculated as follows:

Component	% of Total	Due Date
Case Analysis (individual)	30	Due June 1 at 11:59 pm
Participation: In class and online contribution (individual)	20	Throughout all classes
Team Case Analysis (team)	25	Due June 17 at 11:59 pm
New Venture Scaling Strategy (team)	25	Due on July 5 at 9 am
<b>Total</b>	<b>100</b>	

## Course Material

**Required reading:** A coursekit and some additional readings are available online. Required reading for each class is listed below.

**Course website:** The course website will be posted on the KS Learning Space course site: <https://learningspace.schulich.yorku.ca/>. A discussion and posting site will be available on the KS Learning Space course site (limited to class participants).

## Preparation for Class and Class Contribution: Expectations

You are expected to come to class having completed your readings and assignments. You are expected to be a contributor to the class by sharing your knowledge, analysis and creative enthusiasm. Furthermore, you are expected to work with your team on a case presentation. Class contribution will be graded (see below).

## Class-by-Class Syllabus

Classes are designed to be highly interactive, comprising a mixture of case and concepts discussions, group work, presentations and guest speakers.

### Class 1 **The Challenges of Entrepreneurial Growth**

June 2, 2017 This class will outline the key issues facing entrepreneurial firms undergoing rapid growth phases, including issues of strategy, business model change, people and organizational change, and execution challenges. We will begin with an overview, then dig deeply into growth strategy issues. We'll discuss different strategic approaches to growth and contingencies that affect growth strategy choices including growth mode, targets and pacing. We'll discuss changes to the business model both to increase scalability and to extend to new markets and offerings.

#### **Readings:**

Gulati, R. & DeSantola, A., (2016). Start-Ups that Last. Harvard Business Review, 94(3), 14. Reprint R1603C.

Bussgang, J. (2015). Scaling the chasm:  
<http://bostonvcblog.typepad.com/vc/2015/01/scaling-the-chasm.html>

Eisenmann, T. (2014). Business Model Analysis for Entrepreneurs. Harvard Business Press, 812096.

Eisenmann, T. (2014). Scaling a startup: Pacing issues. Harvard Business Press, 812099.

Greiner, L. E. (1998). Evolution & Revolution as Organizations Grow. Harvard Business Review, May-June. Reprint 98308.

**Case 1:** Micromax: Scaling the Largest Indian Mobile Handset Company (HBS 9-415-034)

**Case 2:** Joint Juice, HBS #9-803-146.

#### **Optional Readings:**

Brigl, M., Hong, M. Roos, A., Schmiegl, F. & Wu, X. (2016). Corporate Venturing Shifts Gears. How the Largest Companies Apply a Broad Set of Tools to Speed Innovation. BCG Perspectives. <https://www.bcgperspectives.com/content/articles/innovation-growth-corporate-venturing-shifts-gears-how-largest-companies-apply-tools-innovation/>

The Swift Rise--and Fall--of America's One-Time Fastest-Growing Company  
<http://www.inc.com/magazine/201609/lindsay-blakely-burt-helm/2016-inc5000-unraveling-of-fuhu.html>.

Applegate, L. (2015). Leading High-Growth Ventures. Harvard Business School Press. Product #: 8082-HTM-ENG.

Harnish, V. (2014). *Scaling Up: How a few companies make it and the rest don't*. Ashburn, VA: Gazelles Inc. Free chapter (downloadable at [www.scalingup.com](http://www.scalingup.com)): THE BARRIERS: Leadership, Infrastructure, and Market Dynamics

**Pivoting:** <https://steveblank.com/2010/04/12/why-startups-are-agile-and-opportunistic-%E2%80%93-pivoting-the-business-model/>

**Metrics:** <http://bostonvcblog.typepad.com/vc/2015/02/why-metrics-get-worse-with-scale.html>

**Partnerships:** <http://blog.openviewpartners.com/building-your-partner-ecosystem-who-are-your-potential-ecosystem-partners/>

**Opportunity Evaluation:** Skarzynski, P. & Gibson, R. (2008). *Asking the Right Questions at the Right Time: Evaluating New Growth Opportunities*. Harvard Business Press, 5111BC.

Class 2  
June 3,  
2017

**People and Organizational Issues I: Team Members, Organizational Structure Changes, Formalizing Hiring and Managing Performance, and Incentivizing**

In this session, we tie up strategy issues and then address the idea of hiring and/or partnering with scalable people and knowing when to hire people with specific profiles. We will discuss equity participation for incentivizing and some common pitfalls associated with it. We will discuss tying individual metrics to core strategy.

**Readings:**

Cohn, J. M., Khurana, R., & Reeves, L. (2005). Growing talent as if your business depended on it. *Harvard Business Review*, 83(10), 62.

Eisenmann (2014). *Scaling a Startup: People & Organizational issues*. Harvard Business School, 812100-PDF-ENG.

**Case 1:** Cloudflare: Running Hot? (HBS 813145-PDF-ENG)

**Case 2:** Adrec Solutions: Building Organizational Capabilities for Growth (Ivey: 9B14M214)

**Optional Readings:**

Alvarez, C. Hiring the RIGHT “Big Company” People for Startups.  
<http://www.cindyalvarez.com/best-practices/hiring-the-right-big-company-people-for-startups>

Class 3  
June 4,  
2017

**People and Organizational Issues II: Culture, On-boarding, Communication, Leadership, Self-Assessment, Succession Issues, Governance**

In this session, we will focus on organizational issues through growth by examining culture

and on-boarding processes, leadership and self-assessment, succession issues and governance.

**Readings:**

Amabile, T. & Kramer, S. (2011). *The Catalyst Factor: How Helping Your Employees Do Their Work Builds a Culture of Engagement and High Performance*. HBR Press, Product #8605BC.

Harnish, V. (2014). *Scaling Up: How a few companies make it and the rest don't*. Ashburn, VA: Gazelles Inc.: Rockefeller Habits. Bonus chapter: Strategic Planning: Preparing and Leading the Planning Process, plus Rockefeller Habits Checklist (available for download on the website <https://scalingup.com/>).

**Case: Open English (Harvard)**

**Optional Readings:**

Hamm (2002). *Why Entrepreneurs Don't Scale*. Harvard Business Review (December).

Wasserman, N. (2008). *The Founder's Dilemma*. Harvard Business Review, February. Reprint R0802G.

Jeff Dyer, Hal Gregersen and Clayton M. Christensen, (2011). *Putting The Innovator's DNA into Practice: How Innovative Leaders Institute processes that Encourage the Discovery Skills of Disruptive Innovation*, HBR Press – 8385BC.

Class 4  
June 23,  
2017

**Execution: Operations and Management Systems**

In this session, we will discuss formalization of management systems as a means of creating the replicability required for efficient scaling. We will discuss some management systems, emphasize the importance of cash and process control, and discuss dashboarding. We will also discuss the tension between control and innovation, and examine ways to manage that tension.

**Case: Growing Pains at Stroz Friedberg (HBS 9-313-023)**

**Readings:**

Davila, A., Foster, G., & Jia, N. (2010). *Building sustainable high-growth startup companies: Management systems as an accelerator*. California Management Review, 52(3), 79-105.

**Dashboarding:** Mullins, J. & Komisar, R. (2009): *Guiding your flight progress: The power of dashboards. Building a better business model through trial and error*. HBR, 5361BC, ISBN-13:978-1-4221-5364-2

**Metrics:** <http://bostonvcblog.typepad.com/vc/2015/02/why-metrics-get-worse-with-scale.html>

**Optional Readings:**

**Innovation:** Hanson & Birkinshaw, (2007). The innovation value chain. Harvard Business Review, June. Reprint R0706.

**Cash flow management:** Churchill, N. C., & Mullins, J. W. (2001). How fast can your company afford to grow. Harvard Business Review, 79(5), 135-142.

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## Course Deliverables: Descriptions and Evaluation

### **1. Individual Case Analysis (30%): Due before the first class on June 1, 2017 at 11:59 pm to be posted on the KS Learning Space course site.**

You will be assigned one of the cases that we will cover in classes 1-4. Analyze the case, with the following questions in mind:

- 1) What growth-related symptoms or full-fledged problems is the company experiencing at the time of the case (consider issues of growth strategy, infrastructure, systems, cash flow, execution, people and organization)?
- 2) What could company leaders have done better to avoid these problems?
- 3) What opportunities could the company have pursued better if they had taken a more active approach to planning for scaling?

A rubric will be posted on the course site. The case analysis should be no more than 1000 words + exhibits, and please name the document using your last name and the case (e.g., Zietsma-Cloudflare.doc). Please use a word document, not pdf. This report should be submitted via the Learning Space to turnitin.com for plagiarism assessment (see below).

### **2. Team Case Analysis (25%): Due on June 17 by midnight, to be posted on the KS Learning Space course site.**

Your team will prepare an analysis of a case provided to you, involving an assessment of their growth strategy and a recommended plan going forward. Use your understanding of growth challenges and remedies to act as consultants to the key decision-maker in the case. Please see the case analysis rubric posted on the course site for more details. Develop a report of no more than 2000 words + exhibits and submit it via the KS learning space site. A peer evaluation process will be used to adjust group grades (see below). Please use 12 pt. font for the main body text and name the document with your team name. Please use a word document, not pdf. Please ensure all team members' names are included on the title page of the report. This report should be submitted via the Learning Space to turnitin.com for plagiarism assessment (see below). Only one team member should be designated to submit the assignment to ensure that only a single version is submitted for the team.

### **3. Team New Venture Scaling Strategy Report (25%): Due on July 5 by 9:00 a.m.**

Working with your new venture team for EMBA 6190 (or as many of them as are taking this course), develop a scaling strategy for your new venture. You should specifically consider some of the growth challenges we have addressed in the course and some of the means of managing them, and develop a

plan to build scalability into your products, strategies, people and processes. Report should be no more than 1000 words plus exhibits. Please use 12 pt. font for the main body text and name the document with your venture name. Please use a word document, not pdf. A peer evaluation process will be used to adjust group grades (see below).

#### 4. Class Contribution (20%): Assessment ongoing

An engaged, interactive classroom aids the learning experience for all of us. Examples of a valuable contribution to class include: bringing in examples and illustrations from outside the classroom (and/or posting these on the KS Learning Space course site); good analysis of readings and cases that moves the discussion forward; insightful questions, commentary, or answers; good quality presentations; facilitation and leadership of effective group work; etc. Remember though, quality will always trump quantity. In-class preparation is graded as shown below during each class. Up to 5 points will also be awarded for contribution to the KS Learning Space.

Grade	Contribution
0	Does not attend class
1	Attends class but contributes only marginally
2	Contribution is of average quality and quantity
3	Makes an active and valuable contribution to the class that enhances the class experience

#### Peer evaluation process:

Individual grades on team assignments are determined through a peer review of your team members. Each member will assign a weight that represents the contribution of each team member to the team such that the average weight assigned to team members is exactly 100. The team grade will then be adjusted by the weight, at the instructor's discretion. See an illustration below.

Percent given	To A	To B	To C	Average
By A	NA	120	80	100
By B	116	NA	84	100
By C	88	112	NA	100
Average	102	116	82	100
Peer Review Weight=Average/100	102/100	116/100	82/100	1
Individual grade if the team grade is 80%	82%	93%	66%	80%

#### Calculation of Course Grades

In this class, final course grades will be determined by the following process: Each deliverable will be assigned a letter grade from A+ through F. To calculate the final grade, these letter grades for each assignment will be translated into grade points using the conversion scheme detailed below. These are then added using the percentage weight of each assignment and rounded up or down to the nearest full grade point, which is finally translated back into the corresponding letter grade.

Letter Grade	A+	A	A-	B+	B	B-	C+	C	C-	F
Grade Points	9	8	7	6	5	4	3	2	1	0

## Assignment General Rules

Please note the following general rules on penalties:

- Please contact me prior to the submission deadline if, for any reason, you require an extension for any assignment. Assignments received late without a pre-approved extension will be deducted one grade point for each day late from the due date/time.
- Assignments over the word limit will not be graded past the posted word limit. For example, an assignment with a word limit of 1,000 words, handed in with 1,200 words would have only the first 1,000 words graded.

**Academic Honesty** is fundamental to the integrity of university education and any degree program, and applies in every course offered at Schulich and within the Kellogg EMBA Global Network. This particular course is subject to the rules mandated by York University and the Kellogg Honor Code, which you signed at the outset of the program. For details please refer to your Student Guide and the following website:

[http://www.schulich.yorku.ca/client/schulich/schulich\\_lp4w\\_Ind\\_webstation.nsf/page/Academic+Honesty!OpenDocument](http://www.schulich.yorku.ca/client/schulich/schulich_lp4w_Ind_webstation.nsf/page/Academic+Honesty!OpenDocument)

### Turnitin.com

As a way to promote academic honesty and avoid plagiarism, please submit your individual and team case analyses via the Learning Space to Turnitin.com for a review of textual similarity and detection of possible plagiarism. You can also go to turnitin.com and use class ID 15160574 to access this service. The enrolment password is EMBA6550. In submitting your cases to Turnitin.com, students will allow their individual and team case analyses to be included as source documents in the Turnitin.com reference database, where they will be used solely for the purpose of detecting plagiarism. You will be able to see the amount of textual overlap in your report vs. other documents in the turnitin database, and if there is significant overlap, I encourage you to leave yourself enough time to revise the offending sections to ensure there is no plagiarism. Please note: because of the difficulty in assessing individual fault in team assignments, all team members are typically held responsible for any academic honesty breach, so I encourage you to have a serious discussion about academic honesty with your team members.

The terms that apply to the university's use of the Turnitin.com service are described on the Turnitin.com website. You do have the right to opt out of using text-matching software. Please note that in this case, you might be required to provide a written report concerning the process of completing the work, respond in writing to questions directed at issues of originality and/or taking an oral examination directed at issues of originality. Any form of suspected plagiarism will be further investigated and, if confirmed, penalized following the procedures established in the Schulich Academic Honesty Policy (see above).