

## 15.389A Global Entrepreneurship Lab: Latin America (G-Lab-LA)

Fall 2008, IAP 2009, and one day in Spring 2009

Section A: Tuesdays/Thursdays, 2:30-4:00pm, E51-335

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### Email Address to submit all Assignments:

[15.389a-f08-facta@mit.edu](mailto:15.389a-f08-facta@mit.edu)

### Course Websites:

Stellar: <http://stellar.mit.edu/S/course/15/fa08/15.389a/>

Login: MIT certificate

External: <http://g-lab.mit.edu/>

Login: glab

Password: glab2008

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### Course Goals

Entrepreneurship in the 21<sup>st</sup> century is evolving. Because of global changes in technology, communications, and capital markets, today's innovative startups are building successful companies in countries around the globe, in many instances with investors, vendors, customers, and employees located thousands of miles away. The challenges these leading-edge companies face, particularly in emerging markets, are some of the most sophisticated issues both for businesses and governments alike.

These challenges are the focus of G-Lab.

## 15.389A Global Entrepreneurship Lab: Latin America (G-Lab-LA)

### G-Lab has four specific goals:

- 1) To familiarize students with the issues and challenges facing global entrepreneurs.
- 2) To provide students with an intensive internship experience working in a “global” startup.
- 3) To familiarize students with the power of informal networks and the importance of leveraging MIT-related and other networks while working globally. In addition to helping you deliver a better product to your host companies, learning to use a rich set of informal networks effectively is a powerful personal resource as well.
- 4) To offer high-quality advice for global companies. We would like MIT Sloan to become the first place that global startups look to for advice and help. This is an important goal for you, for MIT, and for all future generations of MIT students.

### Course Design and Expectations

G-Lab is both a course and a collaboration: a partnership between MIT Sloan and entrepreneurial companies facing real challenges throughout the world. MIT and Sloan’s reputations are very much at stake here. Future students will only get this kind of opportunity if G-Lab continues to provide value to everyone involved.

Please note that faculty and other advisors to the course have devoted considerable time and resources in finding appropriate projects. This includes assessing whether there is a good fit between what you can contribute and what the entrepreneurs need. As a result, both sides have invested heavily in this relationship.

Please regard everything we ask you to do as a work assignment (i.e., as if from an employer) and not simply a course requirement. Everything in this course is designed to help you work effectively with your projects. There is no make-work or irrelevant material; all of the requirements have been designed solely to help you and your team be effective. If you need more content on any issue, talk with us and we will make sure you get what you need, as quickly and easily as possible. Moreover, if there is anything that you do not understand about the course structure and requirements, please speak with the faculty.

### Course Requirements

The requirements for the course and the contribution of each towards the final grade are as follows.

<u>Component</u>	<u>Individual vs. Team</u>	<u>Contribution to Final Grade</u>	<u>Deadline</u>
1) <b>2 Case Write-ups.</b> 1 <sup>st</sup> due by end of H1, 2 <sup>nd</sup> due by end of H2 (2 @ 10%)	Individual	20%	Due in class on the day the case is discussed. First case write-up due by <b>Oct. 14</b> . Second case write-up due by <b>Dec. 2</b>
2) <b>Class Participation</b>  Based on in-class contributions and feedback from your host company	Individual	25%	Ongoing, throughout the course

## 15.389A Global Entrepreneurship Lab: Latin America (G-Lab-LA)

3) <b>Project Workplan</b>	Team	15%	Workplan due to faculty by <b>Oct. 28</b> ; sign-off from your host company by <b>Nov. 4</b>
4) <b>Remote (MIT-based) Internship and Interim Research Report</b>	Team	20%	Report due to faculty by <b>Nov. 25</b> and to your host company by <b>Dec. 9</b>
5) <b>On-site Internship/ Company Deliverables, Poster and Final Research Report</b>	Team	20%	Presentation to your host company at the end of the on-site internship. Poster presented to MIT community <b>Feb. 9</b> . Final report due to faculty by <b>Feb. 13</b> .

These course requirements are described in more detail below.

### 1) *Case Write-ups*

The case write-ups should be no more than three double-spaced pages (750 words). You may choose any two cases to analyze but one case must be written during H1 and the second must be written during H2. Submit each case write-up **in hard copy** to the TA at **the beginning** of class on the day the case is to be discussed. These are individual assignments; please write up the case on your own, not with your team.

The write-ups are intended to be analytical discussions of issues central to the case. Please do not write a summary of the case or repeat case facts except to bolster your argument. Based on the information provided in the case materials, please be analytically critical and evaluative. You should propose alternate managerial views and action plans whenever appropriate and discuss the relevance and applicability of the frameworks proposed in the readings and lectures. In short, you should write what you think of the situation in the case and not merely what the author of the case says. Note that some cases include study questions or write-up questions at the end of the text; others have questions in the syllabus below.

### 2) *Class Participation*

Participation in class and small-group interactions, combined with feedback from your host company, will account for 25 percent of the grade. We will cold-call students throughout every session. Attendance at and preparation for every class is expected. Please talk to us if you need to miss a class. We are willing to consider any reasonable explanation for why you can't attend class, but each non-excused absence **reduces your grade by 5 percent**. ***Missing 3 classes, breakout sessions, or group meetings during class hours with faculty or outside advisors constitutes AUTOMATIC FAILURE of the course.***

There will also be an intra-team evaluation at the end of IAP. In other words, you get to say who did the work.

### 3) *Project Workplan*

We will post the list of potential host companies and projects on the G-Lab external site during September. Each team will have a faculty member as its advisor for all aspects of the project. It is your team's responsibility, however, to negotiate and manage all aspects of the workplan and the project.

## 15.389A Global Entrepreneurship Lab: Latin America (G-Lab-LA)

After your team has been matched with a host company, you will make contact, begin building the relationship, and discuss the project. Based on those discussions, your team will create a detailed workplan outlining the project scope, deliverables and milestones. Examples of past workplans may be found on the Stellar site.

Your team will submit the workplan in hard copy on **October 28** for faculty review as well as email a copy to [15.389a-f08-facta@mit.edu](mailto:15.389a-f08-facta@mit.edu). Once your faculty advisor has given you feedback, you will incorporate the feedback into a revised workplan and obtain your host company's sign-off by **November 4**.

### 4) *Remote (MIT-based) Internship and Interim Research Report (IRR)*

Your team will undertake a great deal of preliminary research and analysis on your project during the fall. The IRR will provide an overview of your team's work from two primary perspectives:

- a) A process-based summary of team activity, including benchmarking against your project workplan and reporting on overall project status.
- b) A substantive interim report on your project focus. You should provide an overview of the analytical frameworks you are employing and a summary of the research and analysis your team has completed while working remotely from MIT. This summary should include any relevant country, industry, and company analysis useful to your internship.

Your team will submit the IRR hard copy on **November 25** for faculty review as well as email a copy to [15.389a-f08-facta@mit.edu](mailto:15.389a-f08-facta@mit.edu). Once your faculty advisor has given you feedback, you will incorporate the feedback into a revised IRR and submit it to your host company by **December 9**.

### 5) *On-Site Internship and Final Research Report-*

The internship goal is for your team to work professionally on-site with senior management and staff as effective consultants. Your team must be all together, on-site, for a minimum of three consecutive weeks (Monday-Friday). As in any professional endeavor, you are to deliver analysis, advice and recommendations that are value-add, appropriate, and immediately useful to your company. You will make a formal presentation to your company at the end of your onsite internship and provide them with supporting written analysis and data as appropriate. You will deliver a copy (or summary) of your company deliverables to your team advisor upon your return to MIT (a hard copy is required as well as emailing a copy to [15.389a-f08-facta@mit.edu](mailto:15.389a-f08-facta@mit.edu)).

The final report is due on **Friday, February 13, 2008**. The final written report should demonstrate your understanding of the company, its comparative strengths and weaknesses, and your project focus. In addition, you should integrate material relevant to the four goals of G-Lab, as outlined on pages 1-2 of this syllabus. For example, what specific issues does the company face because of where it is located? How exactly did you add value? How exactly have you added to your network of contacts? You should also provide reasonable forecasts for the future of the company, given your projections of the relevant macroeconomic and microeconomic environment. The final report should be 20 double-spaced pages of text (approximately 5000 words), plus any tables and appendices that help the reader.

One required appendix is the Resource Report, which is your team's compilation of all relevant resources on which you relied to get your project done efficiently. This will include

## 15.389A Global Entrepreneurship Lab: Latin America (G-Lab-LA)

not just bibliographical and standard research and trade industry data, but practical, networking and/or entrepreneurial resources you drew on. We will discuss the Resource Report and its content in class.

**Note: In past years, outstanding teams have prepared their final report in a form that can be used effectively as a teaching case in MBA classes. We encourage this approach but do not require it. If your team would like to write its report as a case, please speak to your faculty advisor for approval.**

Also required is a brief blurb, a capsule summary of your host company and your project. The summary should be 3-4 sentences, no more than 100 words. Samples will be posted on Stellar.

### 6) *G-Lab Day*

We will hold a major G-Lab event on **Monday, February 9, 2009, 11am-2pm**. This will be open to the entire MIT community and is intended to highlight and publicize your work. Every team must prepare a poster and staff a presentation position during this event. It will be widely advertised and you should expect considerable interest, scrutiny, and questions. Please remember to email a copy of your poster to [15.389a-f08-facta@mit.edu](mailto:15.389a-f08-facta@mit.edu).

### Logistics and Teamwork

G-Lab will entail extensive team work. You need to build a team with diverse and complementary skills. This is the key to success in your internship. Think carefully about the people you want to work with (and even temporarily live with) and how you will allocate responsibilities within your team. We will help you as much as possible, but ultimately team selection and operation is your responsibility. This activity is not graded directly, but it will have a major effect on your performance throughout the course.

#### 1) *Team Formation process:*

- To facilitate team building, please **post your resumes** in the Team Building wiki site (<https://wikis.mit.edu/confluence/x/voAFAQ>) no later than **September 5**. Your resume should be titled "lastname\_firstname\_resume\_tb." A link to the Team Building site is provided on the left side navigation bar on the Stellar class site (<http://stellar.mit.edu/S/course/15/fa08/15.389a/>). We need your resumes in order to send them to your host company after the match, and you may need them as you form your team.
- On September 18th, one week before bid forms are due, there will be an in-class mixer to give you an opportunity to find or complete your team.
- Please note that most of the questionnaires include a section asking for **required or requested skill sets** or background, including language. As you review questionnaires, bear in mind the requirements that the host companies have laid out. They will carry great weight in the match process.

## 15.389A Global Entrepreneurship Lab: Latin America (G-Lab-LA)

### 2) *Bidding and Match process:*

- You can access and browse the list of potential host companies and projects by logging into the G-Lab external site, <http://g-lab.mit.edu/>. (See page 1 above for login details.)
- The postings consist of questionnaires that have been prepared and submitted by the host companies. They contain substantial background information on the projects and the proposed focus for a G-Lab team. Each project is under the supervision of one of the G-Lab faculty; there may also be additional project advisors.
- If you have questions regarding the proposed project, please request that the appropriate faculty or TA contact the host company. **You should not contact any company until matching is complete.**
- After a thorough review of all projects, your team should begin ranking its preferred projects. As noted above, where host companies have laid out skill requirements or requests, faculty will give great weight to those requests.
- On your bidding form, your team will rank 3 projects in order of preference. You will also submit copies of your resumes, as well as a short persuasive statement summarizing the strengths and merit of your bid requests.
- The match process is confidential, and conducted by the faculty. Their decisions are final. Historically, a high percentage of teams are matched with their first or second choice.
- **Dates:** Bid forms are available Wednesday, September 17. Forms must be emailed to [15.389a-f08-facta@mit.edu](mailto:15.389a-f08-facta@mit.edu) AND submitted in hard copy at the beginning of class on Thursday, September 25. Results will be announced and emailed by Tuesday, September 30.

### 3) *Post-Match process (teamwork during the fall):*

- After the match process is complete, your team will be notified which host company you have been matched with. Your team should send its acceptance of your project immediately by return email. We will then forward your resumes to the host company, and give them the same opportunity to accept your team. As soon as we notify you that your host company has accepted your team, you should set up your initial call and commence work with them.
- Each team will work with a specific faculty member as an advisor to the team on both substantive and procedural issues. Your team will also be supported by your TA. Your team will meet with its advisor periodically over the fall, usually biweekly, to measure and monitor progress. Meetings may be scheduled during designated class time or outside of class.
- While your advisors will remain available to you, your team will own its relationship with the host company, and will be responsible for negotiating and managing all aspects of the work plan and the project, during the fall and IAP.

### 4) *Travel arrangements:*

- Please note that **no team has an automatic right to travel** to the internship in January. The internship must be earned through diligent and appropriate presentation. A “go/no

## 15.389A Global Entrepreneurship Lab: Latin America (G-Lab-LA)

go” decision will be made by faculty in December. As in past years, some teams may in fact not travel.

- G-Lab travel is defined as **point-to-point** corresponding to the dates your team will be working on the ground at your company site. G-Lab faculty have negotiated with your company to pay for your economy airfare from Boston to the company site back to Boston and safe, clean, housing for the duration of your stay. Some companies may have special arrangements for G-Lab to cover part of the travel expenses – see your faculty mentor for confirmation.
- As part of your workplan, your team and your company need to agree upon working dates when your entire team is on the ground at the client’s headquarters. Keep in mind that you may need an extra day to adjust to the new time zone.
- Your company is only asked to pay for economy class tickets from Boston-Company-Boston.
- **You** are responsible for paying for any airfare in excess of the Boston-Company-Boston ticket (and any other expenses) incurred due to your personal itinerary.
- **Dates:**
  - Airplane tickets should be purchased no later than **Tuesday, November 25, 2008**.
  - Read then return to your TA your completed Student Travel Form (<https://controllers.mit.edu/site/content/download/855/2930/file/TravelFORMStudents.pdf>) no later than **Tuesday, December 9, 2008**.

### **Other Important Points**

Stellar should be monitored closely. It is continuously updated by the TA and will be the primary source of information for the course.

Overheads and handouts will be posted on Stellar in the Materials section. Please check regularly and particularly before each class. All the materials for each class should be posted the evening before class, but please check for late-breaking items posted before noon on the day of class.

### **Course Credit**

G-Lab is a 12-credit course. You will receive a “T” grade at the end of the Fall semester for the course. This is a continuation grade that appears for MIT administrative purposes. A final grade will be applied at the end of the Spring semester when you have completed all work. You must complete all the work in the fall, IAP and February to receive credit. Partial credit is not given.

## 15.389A Global Entrepreneurship Lab: Latin America (G-Lab-LA)

### Summary of Assignment Deadlines

Friday, September 5	<b>Resume</b> posted on Team Building site
Thursday, September 25	<b>Bidding forms</b> due in HARDCOPY in class to TA and ELECTRONICALLY to <a href="mailto:15.389a-f08-facta@mit.edu">15.389a-f08-facta@mit.edu</a>
Tuesday, September 30	<b>Company matches</b> announced by email
Tuesday, October 14	Last possible date for <b>Case Write-up #1</b> (submit in HARDCOPY in class to TA)
Tuesday, October 28	Team <b>workplan</b> due in HARDCOPY in class to TA and ELECTRONICALLY to <a href="mailto:15.389a-f08-facta@mit.edu">15.389a-f08-facta@mit.edu</a>
Tuesday, November 4	Teams obtain and submit <b>workplan</b> sign-offs from host companies
Tuesday, November 25	Draft <b>Interim Research Reports (IRR)</b> due at 4:00PM in HARDCOPY to Laura Gay (E52-580) and ELECTRONICALLY to <a href="mailto:15.389a-f08-facta@mit.edu">15.389a-f08-facta@mit.edu</a>  Plane tickets purchased
Tuesday, December 2	Last possible date for <b>Case Write-up #2</b> (submit in HARDCOPY in class to TA)
Tuesday, December 9	<b>Interim Research Report (IRR)</b> due to host company <b>Student Travel Form</b> due in HARDCOPY in class to TA
Monday, February 9	G-Lab Poster Day: Teams present <b>posters</b> on their projects and submit poster ELECTRONICALLY to <a href="mailto:15.389a-f08-facta@mit.edu">15.389a-f08-facta@mit.edu</a>
Friday, February 13	<b>Final Research Report</b> and Copy (or Summary) of <b>Company Deliverables</b> due at 4:00PM in HARDCOPY to Laura Gay (E52-580) and ELECTRONICALLY to <a href="mailto:15.389a-f08-facta@mit.edu">15.389a-f08-facta@mit.edu</a>

## 15.389A Global Entrepreneurship Lab: Latin America (G-Lab-LA)

### Schedule of Classes and Assignments

**Readings for each session are available either on Stellar or in the Course Packet, as indicated below.** You are responsible for all **cases** and **required readings**. Check Stellar for updates – you are responsible for any required reading posted by 6:00 pm on the evening preceding a class. We will keep last-minute reading to an absolute minimum.

#### **Part I: The Global Environment for Entrepreneurship**

##### **Thursday, Sept. 4: Course Overview and Introduction**

1. Introduction to course goals, requirements, pedagogy, and faculty.
2. Entrepreneurship in emerging markets.

*Readings:*

##### REQUIRED

McMillan, John and Christopher Woodruff. 2002. “The Central Role of Entrepreneurs in Transition Economies.” *Journal of Economic Perspectives*, Vol. 16 (3): 153-170. (*Stellar*)

##### RECOMMENDED

Thomas E. Skidmore and Peter H. Smith, *Modern Latin America*. Sixth Edition, (New York: Oxford University Press, 2005): **chapters 1, 2;**

Eliana Cardoso and Ann Helwege, *Latin America’s Economy: Diversity, Trends and Conflicts*, (Cambridge: MIT Press, 1995): **entire.**

Both books may be purchased at the MIT Coop and copies have been placed on Reserve at Dewey Library.

<b>Friday, Sept. 5:</b> Resumes posted on Team Building site <a href="https://wikis.mit.edu/confluence/x/voAFAQ">https://wikis.mit.edu/confluence/x/voAFAQ</a>
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#### **Issues for Entrepreneurs in Latin America**

Certain institutions have been shown to be central for the healthy development of entrepreneurial ventures. Most countries, however, possess suboptimal versions of most, if not all, of those institutions. These institutional shortcomings translate directly into structural barriers for entrepreneurship. Entrepreneurs must find ways around structural barriers, and do so in often creative ways. . Over the next few classes, we will explore different issues and ways that entrepreneurial firms develop innovative strategies to overcome these barriers.

##### **Tuesday, Sept. 9: Income Inequality, Social Stratification and Market Opportunity at the Bottom of the Pyramid: The Case of Brazil**

LIVE CASE: Live discussion with Leila Velez, Beleza Natural.

*Readings:*

##### CASE (REQUIRED)

Beleza Natural: Choosing the Right Growth Model - MIT Case (*Stellar*)

## 15.389A Global Entrepreneurship Lab: Latin America (G-Lab-LA)

### REQUIRED

Wilson, Dominique and Roopa Purushothaman. 2003. "Dreaming with BRICs: The Path to 2050." Goldman Sachs, Global Economics Paper No. 99 (*Stellar*)

Barrionuevo, Alexei, 2008. "Strong Economy Propels Brazil to World Stage." *The New York Times*, July 31. Accessed: August 4, 2008: (*Stellar*)

Economist Intelligence Unit (EIU) Country Report: Brazil (*Stellar*)

### RECOMMENDED

World Bank. 2007. "Doing Business in Brazil." (*Stellar*)

Acemoglu, Daron; Simon Johnson and James A. Robinson. 2005. "Institutions as a Fundamental Cause of Long-Run Growth." Chapter 6 in Aghion, Philippe and Steven N. Durlauf (Eds). *Handbook of Economic Growth, Volume 1A*. (*Stellar*). **Read Section 1 (Introduction), skim sections 5 and 6, and read section 8.**

Economist Intelligence Unit (EIU) Country Profile & Commerce for Brazil (*Stellar*)

Thomas E. Skidmore and Peter H. Smith, *Modern Latin America*. Sixth Edition, (New York: Oxford University Press, 2005): **chapter 5**

### Thursday, Sept. 11: Breaking into Markets Dominated by Large, Established Firms: The Case of Mexico

Many Latin American economies are dominated by a small number of large, traditional (often family-run/owned) firms with established patterns of competition. These oligopolies do not often view young start-ups in favorable terms and sometimes, seek to crush them through their influence over financial institutions, market channels, access to government, etc. How do entrepreneurial firms navigate these challenges? What competitive advantages do they develop in these contexts that may be exportable abroad? These are the core questions of this class session.

LIVE CASE: Live discussion with Javier Arredondo, Editorial Mapas.

*Readings:*

### CASE (REQUIRED)

Editorial Mapas – MIT Case (*Stellar*)

### REQUIRED

Economist Intelligence Unit Report: Mexico (*Stellar*)

### RECOMMENDED

Thomas E. Skidmore and Peter H. Smith, *Modern Latin America*. Sixth Edition, (New York: Oxford University Press, 2005): **chapter 8**

Economist Intelligence Unit (EIU) Country Profile & Commerce for Mexico (*Stellar*)

## 15.389A Global Entrepreneurship Lab: Latin America (G-Lab-LA)

### Tuesday, Sept. 16: Opportunities amid Unpredictability: Entrepreneurship in Argentina

Over the last decade, a number of emerging markets have experienced major turbulence in their economies, driven by currency fluctuations, political instability, and shifting trade regimes. How do entrepreneurial firms manage these uncertainties? What mix of challenges and opportunities do they create for innovative start-ups? Through an examination of two Argentine start-ups, we will examine these issues.

LIVE CASE: Live discussion with Guibert Englebienne and Martin Umaran, Globant.

*Readings:*

CASE (REQUIRED)

Globant – MIT Case (*Stellar*)

REQUIRED

Globant – Company Documents (*Stellar*)

Economist Intelligence Unit Report: Argentina (*Stellar*)

RECOMMENDED:

Thomas E. Skidmore and Peter H. Smith, *Modern Latin America*. Sixth Edition, (New York: Oxford University Press, 2005): **chapter 3**

Economist Intelligence Unit (EIU) Country Profile & Commerce for Argentina (*Stellar*)

### Wednesday, Sept. 17: G-Lab bidding forms available

### Thursday, Sept. 18: Team-building Mixer

Today will have an informal mixer, in which students with similar interests can meet one another and create G-Lab teams. Bring your laptop to class.

*Readings:*

Browse the list of host companies on the G-Lab external site (<http://g-lab.mit.edu/>) and the resumes of students in your section on the Stellar site.

### Tuesday, Sept. 23: Building Competitive Advantage in Small, Remote Markets: The Case of Chile

Although Chile is often portrayed as a (rare) example of a well-functioning business environment characterized by a strong rule of law, market-friendly policies, well-functioning government, etc., entrepreneurial firms still struggle gaining traction given the relatively small size of Chile's domestic markets and its distance from other, larger regional and global markets. How do entrepreneurs develop world-class firms in the face of these challenges?

LIVE CASE: Live discussion with Javier Donoso, Geomar

*Readings:*

CASE (REQUIRED)

Geomar: Chilean Seafood – MIT Case (*Stellar*)

## 15.389A Global Entrepreneurship Lab: Latin America (G-Lab-LA)

### REQUIRED

Economist Intelligence Unit Report: Chile (*Stellar*)

### RECOMMENDED:

Thomas E. Skidmore and Peter H. Smith, *Modern Latin America*. Sixth Edition, (New York: Oxford University Press, 2005): **chapter 4**

Economist Intelligence Unit (EIU) Country Profile & Commerce for Chile (*Stellar*)

**Thursday, Sept. 25: G-Lab bidding forms due in HARDCOPY in class to TA and ELECTRONICALLY to [15.389a-f08-facta@mit.edu](mailto:15.389a-f08-facta@mit.edu)**

### Thursday, Sept. 25: Legal Environments and IP Protection: The Case of Colombia

Property rights, IP protection, and other legal institutions have often been cited as indispensable elements for innovation and entrepreneurship in an economy. What can entrepreneurial firms do in environments where such legal protection is lacking?

LIVE CASE: Live discussion with Nicolás Cock Duque, EcoFlora S.A.

#### Readings:

### REQUIRED

McMillan, John and Christopher Woodruff. 2000. "Private Order under Dysfunctional Public Order." *Michigan Law Review*, Vol. 98(8): 2421-2458. (*Stellar*)

Economist Intelligence Unit Report: Colombia (*Stellar*)

### RECOMMENDED

Johnson, Simon; John McMillan and Christopher Woodruff. 2002. "Property Rights and Finance." *American Economic Review*, Vol.92(5):1335-1356. (*Stellar*)

Thomas E. Skidmore and Peter H. Smith, *Modern Latin America*. Sixth Edition, (New York: Oxford University Press, 2005): **chapter 7**

Economist Intelligence Unit (EIU) Country Profile & Commerce for Colombia (*Stellar*)

## **Part II: The Challenges Facing Entrepreneurial Firms**

**Tuesday, Sept. 30: Company matches announced by email**

### Tuesday, Sept. 30: Working in a G-Lab Project

Using a G-Lab case from 2004-05, we'll look at G-Lab projects from the inside, focusing on issues of process, client management, and team dynamics. We'll also review the match acceptance process and how you should begin working with your host company.

#### Readings:

### CASE (REQUIRED)

Compsis at a Crossroads - MIT Case 07-044 (*Stellar*)

*Study Questions and Write-up Questions included in the case*

## 15.389A Global Entrepreneurship Lab: Latin America (G-Lab-LA)

### Thursday, Oct. 2: You Are Not Alone

Mechanisms and networks firms use to circumvent environmental weaknesses.

LIVE CASE: Live discussion with *Endeavor*

**Guest speakers:** Laura Esnaola, Entrepreneur Services, Endeavor

Cindy Ko, VP, International Expansion, Endeavor.

*Readings:*

REQUIRED

Endeavor background reading ([www.endeavor.org](http://www.endeavor.org)) (*Stellar*)

El-Qorchi, Mohammed. 2002. "The Hawala System." *Finance and Development*, 39(4). (*Stellar*)

Saxenian, AnnaLee. 2006. *The New Argonauts: Regional Advantage in a Global Economy*. Cambridge, MA. Harvard University Press. (*Stellar*) **Read Introduction, Chapter 7, Chapter 8.**

### Tuesday, Oct. 7: X-Teams

*Guest speaker:* Deborah Ancona, Seley Distinguished Professor of Management, MIT Sloan Professor Ancona will highlight critical success elements for teamwork in the G-Lab setting. This session will begin with an introduction to the concept of X-teams and what makes them effective. The bulk of the session will be devoted to giving you time as a team to plan your work.

*Readings*

REQUIRED

No pre-readings for today. An article will be posted on Stellar at the end of this class.

RECOMMENDED

After this class session, for further reading on the topic of X-Teams:

Deborah Ancona and Henrik Bresman, *X-Teams: How to Build Teams That Lead, Innovate, and Succeed* (Cambridge: Harvard Business School Press, 2007) (*on reserve in Dewey Library*)

### Thursday, Oct. 9: Entrepreneurial Finance

*Guest speaker:* Simon Olson, a partner at Fir Capital.

Early Stage Finance in G-Lab Markets:

For better or worse, the venture capital model of early stage investment is the gold standard for startup companies. This session provides some basic tools in understanding that process and the criteria by which professional investors evaluate potential investments. The class will also touch on other sources of funding that are available in G-Lab markets, and strategies for advising your host companies on how to pursue those different sources.

## 15.389A Global Entrepreneurship Lab: Latin America (G-Lab-LA)

Mr. Olson, and a CEO from one of his portfolio companies, will discuss the challenges of successful VC investing in emerging markets. Fir Capital is a successful early stage venture capital firm in Brazil; they are also a member of the global VC network of Draper Fisher Jurvetson.

*Readings:*

REQUIRED

Fir Capital background reading ([www.fircapital.com](http://www.fircapital.com)) (*Stellar*)

Draper Fisher Jurvetson background reading ([www.dfj.com](http://www.dfj.com)) (*Stellar*)

*Additional readings may be assigned to this session. Please check Stellar for updates.*

**Tuesday, Oct. 14: Last opportunity to submit Case Write-up #1 to TA**

**Tuesday, Oct. 14: Internationalization**

For a variety of reasons, including size or maturity of their home market, entrepreneurial firms in emerging markets must go abroad for growth opportunities. While economically sensible, such incursions entail significant challenges, quite distinct from those faced by traditional multinational corporations. How should start-ups internationalize? What are the risks and opportunities?

*Readings:*

CASE (REQUIRED)

Color/9 – Tatitos – MIT Case (*Stellar*)

**Thursday, Oct. 16: Team Meetings**

Team meetings with faculty advisors.

**Oct. 23 and 25: NO CLASS (SIP)**

**Tuesday, Oct. 28: Team workplans due in **HARDCOPY** in class to TA and **ELECTRONICALLY** to [15.389a-f08-facta@mit.edu](mailto:15.389a-f08-facta@mit.edu)**

**Tuesday, Oct. 28: Commercialization; Investigation and Analysis**

Emerging technologies are often useful for several different markets and types of customers. Because of a variety of constraints, entrepreneurs must decide which of those markets to target first, knowing that the decision could be the difference between firm success or failure. How should they choose their target market? As a G-Lab team, how do you attack such a problem, and what data do you use to make recommendations?

LIVE CASE: Live discussion with Professor Charles Sodini

*Readings:*

CASE (REQUIRED)

Making SMaL Big: SMaL Camera Technologies - HBS Case # 9-603-116 (*Course Packet*)

## 15.389A Global Entrepreneurship Lab: Latin America (G-Lab-LA)

### RECOMMENDED

Christensen, Clayton M., Scott D. Anthony, Gerald Berstell and Denise Nitterhouse. 2007. "Finding the Right Job for Your Product." *Sloan Management Review*, Vol. 48(3): 38-47. (*Stellar*)

### Thursday, Oct. 30: Global Sales Strategies for Ambitious Entrepreneurs

This class will cover the sales and marketing challenges faced by startup companies in emerging markets. We will use the case from a Sales and Marketing perspective; it is NOT necessary to read the financials in the case. The discussion will be about global sales strategies for a startup.

#### *Readings:*

#### CASE (REQUIRED)

Spotfire: Managing a Multinational Start-Up – HBS Case # 9-899-078 (*Course Packet*)

#### *Study Issues and Questions:*

1. The Company's original plan was to sell their data visualization tools to a wide range of industries. Spotfire received their first (A) round of venture capital funding from a Swedish VC firm to pursue the "horizontal" marketing plan.
2. Spotfire started as an idea in a project in a university lab. They had no business plan, no business people, and no customers. Somehow they got funded. Why? Would you have funded them?
3. Chris approached every potential customer in Sweden he could think of and asked them to "buy" his prototype. This early stage market activity is something akin to "throwing spaghetti against the wall until it sticks."
  - What kind of potential customers would "buy" from an engineer like Chris?
  - Does such early market testing work in the part of the world where your host company is located?
4. Subsequently the company changed its strategy initially to focus on only one industry ("vertical marketing").
  - What was the original decision making unit (DMU) for the horizontal sales strategy?
  - Why did they change their strategy?
  - Which industry did they select? Why?
  - Who suggested the change in strategy? Why?
  - What is the DMU today?
5. The Company moved their headquarters from Göteborg to Boston/Cambridge while retaining the software development operations in Göteborg. Whose idea was that? Why? What are the dynamics around software development operations in high cost countries?
6. In the life of a high tech startup company with global ambitions when is the right time to recruit someone like Rock? What does it take to make the relationship successful?

## 15.389A Global Entrepreneurship Lab: Latin America (G-Lab-LA)

7. Some tips on how to think about Sales and Marketing Research on behalf of your host company.

### Thursday, Nov. 4: Teams obtain and submit workplan sign-offs from host companies

### Tuesday, Nov. 4: Research Methods; Team Meetings

1. Library research: techniques and resources (Alex Caracuzzo of Dewey Library).
2. Team meetings with faculty advisors. Note: Some teams will meet during class times, others outside of class. TAs will work with the teams to schedule meetings.

### Thursday, Nov. 6: Team Meetings

Team meetings with faculty advisors.

### Tuesday, Nov. 11: NO CLASS (HOLIDAY)

No class meeting.

### Thursday, Nov. 13: Being an Entrepreneur in Latin America

This session will consist of a panel discussion with several entrepreneurs from different emerging markets. The goal of this session is familiarize you with the key challenges and major opportunities entrepreneurs face trying to build start-ups in several of the countries G-Lab teams will visit.

*Readings:*

REQUIRED

Endeavor GLAB Company Descriptions (*Stellar*)

"Spreading the gospel: An effort to promote entrepreneurship in the developing world is bearing fruit" *The Economist*, July 31, 2008. Accessed: August 4, 2008: (*Stellar*)

### Tuesday, Nov. 18: Team Meetings

Team meetings with faculty advisors.

### Thursday, Nov. 20: Organizational Development and Human Resource Management

Developing and scaling the organization, hiring and retaining the right people and other challenges of success.

LIVE CASE: Live discussion with Eduardo Ourivio and Mario Chady, Spoleto Culinaria Italiana

*Readings:*

CASE (REQUIRED)

Spoleto Culinaria Italiana. – MIT Case (*Stellar*)

## 15.389A Global Entrepreneurship Lab: Latin America (G-Lab-LA)

### REQUIRED

Downie, Andrew, 2008. "Wanted: Skilled Workers for a Growing Economy in Brazil." *The New York Times*, July 2. Accessed August 5, 2008: (*Stellar*)

### RECOMMENDED

James N. Baron, Michael T. Hannan and M. Diane Burton. 2001. "Labor Pains: Organizational Change and Employee Turnover in Young, High-Tech Firms." *American Journal of Sociology*, 106(4):960-1012. (*Stellar*)

The Economist. 2007. "Capturing Talent." *The Economist*. August 18<sup>th</sup>-24<sup>th</sup> 2007. (*Stellar*)

M. Diane Burton. 2001. "The Company They Keep: Founders' Models for Organizing New Firms." Pp. 13-39 in Claudia B. Schoonhoven and Elaine Romanelli (Eds.), *The Entrepreneurship Dynamic: Origins of Entrepreneurship and the Evolution of Industries*. Stanford, CA: Stanford University Press. (*Stellar*)

**Tuesday, Nov. 25: Draft Interim Research Reports (IRR) due at 4:00PM in HARDCOPY to Laura Gay (E52-580) and ELECTRONICALLY to [15.389a-f08-facta@mit.edu](mailto:15.389a-f08-facta@mit.edu)**

**Tuesday, Nov. 25: Team Meetings**

Team meetings with faculty advisors.

**Thursday, Nov. 27: NO CLASS (Thanksgiving)**

**Tuesday, Dec. 2: Last opportunity to submit Case Write-up #2 to TA**

**Tuesday, Dec. 2: Managing your G-Lab Internship**

What happens when you get to your company and the plan needs to change? Two G-Lab cases (2004-05 and 2007-08) will give us different versions of this situation.

*Readings:*

CASES (REQUIRED)

Kibernetum - MIT Case 08-073 (*Stellar*)

HTS-110: Breaking Ground or Digging a Hole? – MIT Case 08-068 (*Stellar*)

RECOMMENDED

*Study Questions included in the cases*

**NOTE:** If you're doing a case write-up for today, choose either Kibernetum or HTS-110, not both.

**Thursday, Dec. 4: Team Meetings**

Team meetings with faculty advisors.

## 15.389A Global Entrepreneurship Lab: Latin America (G-Lab-LA)

**Tuesday, Dec. 9: Teams submit interim research reports to host companies**

**Tuesday, Dec. 9: Pulling it all together? Building trust in a challenging environment.**

Pulling it all together? Building trust in a challenging environment.

*Readings:*

REQUIRED

Locke, Richard M. (2001). "Building Trust," Presented at Annual Meetings of the American Political Science Association, San Francisco, CA, USA (September 1). (*Stellar*)

**Thursday, Dec. 11: NO CLASS (READING PERIOD)**

### **Part III: The Internship and Final Reports**

**Jan. 1 – Feb. 1, 2009: G-Lab Internship**

Your internship will take place during at least three weeks of IAP 2009 (**January 1 – February 1, 2009**). All four team members must be together, on-site, throughout the internship.

You will make a formal presentation to your company at the end of your onsite internship and provide them with supporting written analysis and data as appropriate.

**Monday, Feb. 2: Debrief and Reflection Session (Registration Day)**

On Registration Day, all G-Lab students will participate in a session to reflect on your experience. Details will be announced in advance.

**Monday, Feb. 9: Teams present posters on their projects and submit copy ELECTRONICALLY to [15.389a-f08-facta@mit.edu](mailto:15.389a-f08-facta@mit.edu)**

**Monday, Feb. 9: G-Lab Poster Session**

We will hold a major G-Lab event on **Monday, February 9, 2009, 11am-2pm**, in Ting Foyer (E51). Every team must prepare a poster and staff a presentation position during this event. Most of the attention will be between 11:30 and 1:00; you may set up before lunch and break down afterwards.

You get to showcase what you did and why, for the entire MIT community. The poster session will be widely advertised and you should expect considerable interest, scrutiny, and questions.

**Friday, Feb. 13: Final Research Reports and Copy or Summary of Company Deliverables due at 4:00PM in HARDCOPY to Laura Gay (E52-580) and ELECTRONICALLY to [15.389a-f08-facta@mit.edu](mailto:15.389a-f08-facta@mit.edu)**