

ENTREPRENEURIAL STRATEGY
MIT SLOAN SCHOOL OF MANAGEMENT
January 8 and 9, 2025

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This course provides an integrated strategy framework for innovation-driven entrepreneurs. The course is structured to provide a deep understanding of the core strategic choices facing start-up innovators, a synthetic framework for the development and implementation of entrepreneurial strategy in dynamic environments, and the ability to scale those ventures over time. A central theme of the course is that, to achieve competitive advantage, technology entrepreneurs must balance the process of experimentation and learning inherent to entrepreneurship with the selection and implementation of a strategy that establishes competitive advantage. The course identifies the key choices entrepreneurs make to take advantage of a novel opportunity and the logic of particular strategic commitments and positions that allow entrepreneurs to establish competitive advantage.

The course combines interactive lectures, case analyses, and exercises, and builds on an emerging body of work at MIT and elsewhere that moves beyond the “one size fits all” approach to start-ups and instead focuses on the key choices that founders face as they start and scale their business. The materials are drawn from a book project, *Entrepreneurship: A Strategic Approach* by Joshua Gans, Erin L Scott, and Scott Stern. The cases and assignments offer an opportunity to integrate and apply the entrepreneurial strategy framework in a practical way and draws from a diverse range of industries and settings. More information about the overall project and approach is available at www.entrepreneurial-strategy.net.

READINGS AND ASSIGNMENTS

As a 2-day elective, an effective class experience will depend on engagement by students with the material prior to class. Please prepare all the assigned cases and chapters in advance.

All students must prepare and submit one (1) memo on *either Lytro or Gimlet or Ministry of Supply* cases, due before the start of class on January 8, 2025. Choose One!

Finally, students will be divided into groups for a post-class Entrepreneurial Strategy venture analysis that will be due by **Monday, January 20th**.

NOTE: All textbook readings are from *Entrepreneurship: Choice and Strategy* by Joshua Gans, Erin L Scott, and Scott Stern, *which the Executive Electives will provide*.

CLASS SCHEDULE

Time	Session	Required Readings
<i>January 8</i>		
8:30 – 9:45 AM	Foundations of Entrepreneurial Strategy	<i>Entrepreneurship: Choice and Strategy</i> , Chapters 1 and 4
9:55 – 11:30 AM	Choosing Your Customer	Lytro <i>Entrepreneurship: Choice and Strategy</i> , Chapter 5
<i>Lunch/Break</i>		
1:00 – 2:25 PM	Choosing Your Organization	Gimlet Media
2:35 – 4:00 PM	Choosing Your Entrepreneurial Strategy	“Strategy for Start-Ups,” <i>Harvard Business Review</i> , 2018
<i>January 9</i>		
8:30 – 10:10 AM	Putting Entrepreneurial Strategy to the Test	Avatech
10:20 – 11:30 AM	Putting Entrepreneurial Strategy to Work	Ministry of Supply
<i>Lunch/Break</i>		
1:00 – 3:00 PM	Test Two, Choose One	Jane Technologies
3:10 – 4:00 PM	Wrap Up and Group Assignment Launch	

CLASS REQUIREMENTS & GRADING

- **Active Class Participation (30%)**
- **Pre-Class Memo (either Lytro or Gimlet Media or Ministry of Supply) (20%)**
- **Post-Class Group Assignment (50%)**

****Please note that this course will be graded P/D/F.****

DAY 1 – Wednesday, January 8, 2025

CLASS 1. The Foundations of Entrepreneurial Strategy

8:30 – 9:45

READING: *Entrepreneurship: Choice and Strategy*, Chapters 1 (skim) and 4.

What is the role of strategy in a new enterprise? What are the key strategic choices facing start-ups? Are entrepreneurs better off just improvising?

CLASS 2. Choosing Your Customer

9:55 – 11:30

READING: Lytro, *mimeo*, MIT Sloan School (See Pre-Class Memo Assignment)
Entrepreneurship: Choice and Strategy, Chapter 5.

Start-ups must choose between different customer segments when choosing to bring their product to market, as the value proposition received by one segment can be at odds with another. How should entrepreneurs choose their customers? Tailor the value proposition to their chosen customer? What factors do you think most important in customer segment choice?

CLASS 3. Choosing Your Organization

1:00 – 2:25

READING: Gimlet Media, *mimeo*, MIT Sloan School (See Pre-Class Memo Assignment)
Supplementary Reading: Entrepreneurship: Choice and Strategy, Chapter 7.

Effective entrepreneurial strategy depends on choosing a founding team and organization structure that allows you to establish the capabilities and resources to realize your purpose as founders. How much choice do entrepreneurs have about choosing a culture for their company? How can founders structure the organization to help them realize their overall entrepreneurial strategy? What are the tradeoffs between organizational choices and other elements of entrepreneurial strategy (e.g., customer, competition)?

CLASS 4. Choosing Your Entrepreneurial Strategy

2:35 – 4:00

READING: Gans, J, EL. Scott, and S. Stern (2018). “Strategy for Startups,” *Harvard Business Review*.
Supplementary Reading: Entrepreneurship: Choice and Strategy, Chapter 8.

How do you choose an overall entrepreneurial strategy? While some firms choose to develop the entire value proposition and disrupt established firms in the product market, other firms choose strategic approaches that involve significant cooperation with established firms, from simple licensing deals to collaborative partnerships, to the development of technology platforms. This session will focus on the key strategic trade-offs entrepreneurs face in choosing an entrepreneurial strategy, and how the process of choosing and executing an entrepreneurial strategy can help your firm establish and then sustain competitive advantage.

DAY 2 – Thursday, January 9, 2025

CLASS 5. Putting Entrepreneurial Strategy to the Test

8:30 – 9:55

READING: Avatech, *mimeo*, MIT Sloan School

Supplementary Reading: Entrepreneurship: Choice and Strategy, Chapter 13.

Please read over the case in advance, and we will conduct an in-class exercise focused on choosing and implementing Avatech's entrepreneurial strategy choices going forward.

CLASS 6. Putting Entrepreneurial Strategy to Work

10:05 – 11:30

READING: Ministry of Supply, *mimeo*, MIT Sloan School (See Pre-Class Memo Assignment)

Supplementary Reading: Entrepreneurship: Choice and Strategy, Chapter 10.

This case examines Ministry of Supply (MoS), the innovative fashion MIT spin-off launched in 2012. As you read the case consider the following questions: What have been some of the key reasons that MoS has been able to establish itself so quickly in the men's professional fashion space? What key choices have they made that allowed them to attract customers while avoiding a direct competitive response (at least so far) from more established players in this space? Given their strategy and approach so far, what are the benefits and costs of a brick-and-mortar channel?

CLASS 7. Test Two, Choose One

1:00 – 3:00

READING: Jane Technologies, *mimeo*, MIT Sloan School

Supplementary Reading: Entrepreneurship: Choice and Strategy, Chapters 12 and 13.

The central challenge facing an entrepreneur is how to choose. This session introduces an integrated framework (and workbook) to apply the entrepreneurial strategy process in a systematic way for a venture, with a focus on the choices (and process of choosing) at Jane Technologies. How would you describe Jane's entrepreneurial strategy alternatives? What are the key challenges you see for each of these alternatives? How should Socrates and his team go about choosing their entrepreneurial strategy?

CLASS 8. Wrap Up and Group Assignment Launch

3:10 – 4:00

Supplementary Reading: Entrepreneurship: Choice and Strategy, Chapters 10 -13

We will wrap up by launching the post-class assignment, applying the entrepreneurial strategy framework and process to a venture of your own choosing. How can you separate the underlying "idea" from strategic alternatives? How can you go about identifying alternatives? How should you choose, and what factors are most important for choosing an entrepreneurial strategy and then successfully scaling an entrepreneurial venture?

Have a wonderful IAP!