

UNIVERSITY OF MANNHEIM

SCHOOL OF BUSINESS ADMINISTRATION
Department of Business Administration
and International Management
Prof. Dr. Manfred Perlitz

University of Mannheim · Department of International Management ·
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SCHOOL OF BUSINESS ADMINISTRATION
Department of Small Business Research
and Entrepreneurship
Prof. Dr. Michael Woywode

University of Mannheim, Department of Small Business Research &
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Course Syllabus on

“International Entrepreneurship Research and Practice (IERP)”

Fall Semester 2007

Lecturers

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Course Description

Entrepreneurship and Small and Medium-Sized Enterprise (SME) development are vital for the economic prosperity and social well being in both mature market economies in Western Europe and North America and emerging market economies in Central-Eastern Europe and the post-Soviet Union. This course gives students an opportunity to develop awareness of the role the entrepreneur plays in the economy and society as well as the theoretical and empirical perspectives on SMEs. Comparing countries with different institutional environments (economic, political and socio-cultural contexts), it enhances the understanding of the role of the country's institutional make-up either in facilitating or restricting entrepreneurship and small business sector.

This subject is oriented at the study of “entrepreneur” and “enterprise/firm” rather than students’ practical training on how to start and manage a small firm him- or herself.

Course Aims

- ◆ to introduce students to a broad range of debates, perspectives and recent international evidence on the nature of enterprise and entrepreneurship within social sciences
- ◆ to provide students with an integrated framework for the analysis of entrepreneurship and small business sector
- ◆ to situate entrepreneurship and SME within its wider economic, political and socio-cultural contexts

Intended Learning Outcomes

Students will be able to train critical skills and understanding of:

- ◆ the relationship between enterprise and entrepreneurship and the wider economic, social and political contexts

They will also have a good ability to

- ◆ analyze activities of entrepreneurship and small business management using relevant theoretical and methodical tools
- ◆ engage critically in current theoretical, empirical and political debates on enterprise and entrepreneurship

“IERP” Course Overview

Attention!! Green marked lines mean that the lecture takes place at irregular time

| Session | Time & Place | Title & Contents | Lecturer |
|--|----------------------------|---|-----------------|
| <i>Session 1 Tuesday, 25.09.07</i> | 5.15-6.45 pm O 148 | I. Small Business Sector and Job Creation 1. David Birch’s (1979) Study on the “Job Generation Process in America” 2. Small Business and Job Creation: Dissecting the Myth and Re-Assessing the Facts (Davis et al. 1996) 3. Contemporary German Studies Rejecting the Dominance of SMEs over Large Enterprises in the Job Generation Process (Wagner 2002, 2003 & Strotmann 2002) | Vartuhi Tonoyan |
| <i>Session 2 Tuesday, 02.10.07</i> | 5.15.-6.45 pm O 148 | II. Small and Medium-Sized Enterprises (SMEs): Definitions, Economic Functions & Determinants of Re-Emergence 1. What Is Small and What Is Large? On Definitions of SMEs 2. Economic Functions of SMEs: Applying Quantitative and Qualitative Criteria 3. Changes in Small Firms’ Career Over Time: Determinants of Re-Emergence of Small-Scale Enterprise in Advanced Welfare States (Loveman & Sengenberger 1991) | Vartuhi Tonoyan |
| <i>Session 3 Tuesday, 09.10.07</i> | 5.15-6.45 pm O 148 | III. Classical Theories of Entrepreneurship: Understanding Schumpeter, Kirzner and Knight 1. “Creative Destruction” Theory (Schumpeter 1934) 2. “Entrepreneurial Discovery and Competitive Market Process” (Kirzner 1997) 3. A Comparison between Kirznerian & Schumpeterian Opportunities 4. Risk, Uncertainty and Profit (Knight 1921) | Vartuhi Tonoyan |
| <i>Session 4 Tuesday, 16.10.07</i> | 5.15-6.45 pm O 148 | IV. “Who Is an Entrepreneur?” The Entrepreneur’s Psychological Profile in Theory and Empirical Research & Its Criticism 1. Exploring the Role of Personality and Motives, Core Self-Evaluation and Cognitive Properties 2. “Who Is an Entrepreneur? Is the Wrong Question” (Gartner 1989) | Vartuhi Tonoyan |
| <i>Session 5 Tuesday 23.10.07</i> | 5.15-6.45 pm O 148 | V. “What Makes an Entrepreneur?” Economic Determinants of Entry into Self-Employment: Theoretical Background and International Evidence 1. The “Subjectively Expected Utility” Model & the Decision to Become Entrepreneur 1.1. Opportunity Costs, Financial Capital & the Decision to Become Entrepreneur 1.2. Human Capital & the Decision to Become Entrepreneur 1.3. The “Jack-of-All-Trades” Theory of Entrepreneurship (Lazear 2002) | Vartuhi Tonoyan |

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| <i>Session 6 Tuesday 30.10.07</i> | 5.15- 6.45 pm O148 | VI. “What Makes an Entrepreneur?” Sociological Determinants of Entry into Self-Employment: Theoretical Underpinnings and International Evidence 1. Social Embeddedness of the Decision to Become Entrepreneur: On the Role of “Strong” & “Weak” Ties 1.1. Intergenerational & Inter-Spousal Transmission of Self-Employment 1.2. Case Study 1: “BREUER IT” & the Importance of “Weak Ties” 2. Age, Ethnicity and the Decision to Become Entrepreneur | Vartuhi Tonoyan |
| <i>Session 7 Tuesday 06.11.07</i> | 5.15- 6.45 pm O 148 | VII. Women’s Participation in Self-Employment in Western Industrialized Nations 1. A Snapshot on Women’s Self-Employment in Western and Eastern European Economies 2. Gender Gap in Self-Employment and Its Possible Explanations 2.1. Women’s Reconciliation of Family & Work Duties 2.2. Societal Expectations toward Women’s Role 2.3. Occupational & Industrial Sex Segregation 2.4. Women’s Risk-Taking Propensity | Vartuhi Tonoyan |
| <i>Session 8 Tuesday, 13.11.07</i> | 5.15- 6.45 pm O 148 | VIII. Institutional Context for Entrepreneurship 1: Theory and International Evidence 1. Institutional Environment and Economic Performance: On the Importance of Formal and Informal Institutions, Property Rights and Transactions Costs (North 1990) 2. Economic, Political and Socio-Cultural Environments for Entrepreneurship (Shane 2003) 3. Necessity and Opportunity Based Entrepreneurship: A Cross-National Comparison between Developed, Transition and Developing Countries 4. Case Study 2: “PUSTEFIX” as an Example of Necessity Based Entrepreneurship 5. International Statistics on Institutional Environments for Entrepreneurship (Global Entrepreneurship Monitor 2005) | Manfred Perlitz |
| <i>Session 9 Tuesday 20.11.07</i> | 5.15- 6.45 pm O 148 | IX. Growth and Exit Factors of Newly Founded Firms <i>(Professor Michael Woywode, Chair for “Small Business Research and Entrepreneurship”, University of Mannheim)</i> | Michael Woywode |
| <i>Session 10 Tuesday 27.11.07</i> | 5.15- 6.45 pm O 148 | X. Internationalization Strategies of High Tech Start-Ups <i>(Professor Michael Woywode, Chair for “Small Business Research and Entrepreneurship”, University of Mannheim)</i> | Michael Woywode |
| Session 11 Tuesday 27.11.07 | 7.00- 8.30 pm O 148 | XI. Institutional Context for Entrepreneurship 2 : Theory and International Evidence 1. Productive, Unproductive & Destructive Forms of Entrepreneurship (Baumol 1990) 2. Corruption and Entrepreneurship: How Formal and Informal Institutions Shape Small Firm Behavior in Mature and Emerging Market Economies | Vartuhi Tonoyan |

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| | | 3. Who Is Strong When the State is Weak? Violent Entrepreneurship in Russia (Volkov 1998) | |
| Session 12 Wednes- day 28.11.07 | 7.00- 8.30 pm O 148 | XII. Financing Entrepreneurial Ventures <i>(Dr. Georg Licht, Head of the Research Department „Industrial Economics and International Management” at the Centre for European Economic Research, Mannheim)</i> | Georg Licht |
| <i>Session 13</i> <i>Tuesday</i> <i>04.12.07</i> | 5.15- 6.45 pm O 148 | XIII. Exam Preparation Session | Vartuhi Tonoyan |

Textbooks

Parker, S. (2004) The Economics of Self-Employment and Entrepreneurship. Cambridge: Cambridge University Press.

Shane, S. (2003) A General Theory of Entrepreneurship: The Individual-Opportunity Nexus. Cheltenham, UK & Northampton, MA, US: Edward Elgar.

Recommended Journals

- ◆ Academy of Management Journal
- ◆ Academy of Management Review
- ◆ Entrepreneurship, Theory and Practice
- ◆ Frontiers of Entrepreneurship Research
- ◆ Harvard Business Review
- ◆ International Journal of Entrepreneurship and Innovation
- ◆ International Small Business Journal
- ◆ Journal of Business Venturing
- ◆ Journal of Small Business Management
- ◆ Small Business Economics
- ◆ Zeitschrift für Betriebswirtschaft

Interesting Links

- ◆ Babson College Entrepreneurship Research Conference
- ◆ Förderkreis Gründungs-Forschung e.V. Entrepreneurship Research (FGF)
- ◆ G-Forum, Interdisziplinäres Gründerforschungsforum
- ◆ Harvard Business School
- ◆ Institut für Mittelstandsforschung Bonn
- ◆ Institut für Mittelstandsforschung Mannheim
- ◆ International Council for Small Business

- ◆ Jönköping International Business School, Department of Entrepreneurship, Management & Marketing
- ◆ Lehrstuhl für Mittelstandsforschung und Entrepreneurship, Universität Mannheim
- ◆ MIT Sloan School of Management
- ◆ NBER, National Bureau of Economic Research, Cambridge, Massachusetts
- ◆ Rheinisch-Westfälisches Institut für Wirtschaftsforschung
- ◆ Schweizerisches Institut für gewerbliche Wirtschaft; Universität St. Gallen
- ◆ Stiftungslehrstuhl für A-BWL, insbesondere Gründungsmanagement und Entrepreneurship, ebs
- ◆ ZEW, Zentrum für Europäische Wirtschaftsforschung Mannheim, Research Department of Industrial Economics & International Management