The Entrepreneurial Management Unit
Seeking to Improve the Success of Entrepreneurial Ventures Worldwide

A Presentation by Josh Lerner, Unit Head
The Evolution of Entrepreneurship at HBS

1946: Myles Mace launches new HBS elective course entitled “Starting New Ventures”
1995: Entrepreneurial Management Unit is formed under leadership of Howard Stevenson
1997: 1st HBS Business Plan Contest
2000: The Entrepreneurial Manager (TEM) required curriculum course is launched
2002: Venture Capital and Private Equity becomes the first of several EM Unit MBA elective “platform courses”
2004: Rock Entrepreneur-in-Residence program launched
2010: Alumni New Venture Contest & Rock Accelerator are launched
2011: Harvard Innovation Lab (iLab) opens
2012 RC FIELD launched, including F3 “launch a business” module
Superior Research, Teaching, and Course Development

“...a general management perspective and deep knowledge of how to build and grow businesses.”

- 28 Faculty (7 junior, 9 senior, 12 practitioners)
- The Entrepreneurial Manager – First-year required class explores how executives should approach making critical decisions during the different phases of an entrepreneurial company’s life.
- 12 Elective Curriculum Courses.
- 11 EM-Led Executive Education Programs, including flagship Owners-Presidents Management program.
Required Course

The Entrepreneurial Manager (TEM)
How individuals convert knowledge, aspiration, and insight into action

We explore how executives should approach making critical decisions during the different phases of an entrepreneurial company's life. Students are given the opportunity to hone their skills:

- Identifying and testing business opportunities.
- Decomposing complex business problems.
- Determining what decisions the responsible business executive must make.
- And establishing a ‘burden of proof’ standard for making those decisions.

Students are introduced to a range of specific tools—including business model design, lean testing, and customer and channel analytics—that are particularly relevant to entrepreneurs. Students are also introduced to the fundamentals of entrepreneurial finance and governance.
## 2014 – 2015 Classes

### Fall 2014

<table>
<thead>
<tr>
<th>Units</th>
<th>Prof(s)</th>
<th>Course Name</th>
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<tr>
<td>EM</td>
<td>EC Hamermesh</td>
<td>Building Life Science Businesses</td>
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<td>EM, FIN</td>
<td>EC Sahlman, Nanda</td>
<td>Entrepreneurial Finance</td>
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<td>EM</td>
<td>EC Higgins</td>
<td>Entrepreneurship in Healthcare IT and Services</td>
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<td>EM</td>
<td>EC Eisenmann</td>
<td>Field Course: Product Management 101</td>
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<td>EM</td>
<td>EC Wasserman</td>
<td>Founders' Dilemmas</td>
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<td>EM, TOM, FIN</td>
<td>EC Macomber, Henderson, Lassiter</td>
<td>Innovation in Business, Energy, and Environment</td>
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<td>MKT, EM</td>
<td>EC Cespedes</td>
<td>Business Marketing and Sales</td>
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### Winter 2015

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<td>The Entrepreneurial Manager (TEM)</td>
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<td>Launching Technology Ventures</td>
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<td>EC Khaire</td>
<td>Entrepreneurial Leadership in Creative Industries</td>
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<td>EM</td>
<td>EC Rhodes-Kropf</td>
<td>Venture Capital and Private Equity</td>
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<td>EM</td>
<td>EC Nicholas</td>
<td>The Coming of Managerial Capitalism: The United States</td>
<td>1122</td>
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<td>EM</td>
<td>Doctoral Kerr &amp; Lerner</td>
<td>Theoretical and Empirical Perspectives on Entrepreneurship</td>
<td>4350</td>
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Research That Has An Impact
“Comparing the Investment Behavior of Public and Private Firms,” (with New York University’s John Asker and Alexander Ljungqvist):

- Looks at quarter million financial statements of private firms compiled by Sageworks.
- Documents that private firms…
  - Invest more than twice as much in capital expenditures and acquisitions than public firms.
  - Are 3.5x more responsive when investing to changing economic conditions.
- Suggests that being publicly traded induces “myopic behavior.”
• IDEO’s Culture of Helping (HBR, Jan-Feb 2014)
  • How to encourage “Citizenship Behavior” where employees engage in “effective mutual help”
    • Leaders Participate, giving and seeking help themselves
    • Safe Environment: No shame in asking for help, in fact it’s encouraged
  • What Makes an IDEO Colleague Most Helpful?
    • Accessibility (How easy it is to obtain help from the other)
    • Competence (How well a person does his/her job)
    • Trust (How comfortable employee is sharing feelings with the other)

• Part of a decades-long research agenda on innovation and organization structure.
Skilled Immigration and the Employment Structures of US Firms (with Sari P. Kerr of Wellesley College and William F. Lincoln of Johns Hopkins University):

- Immigrants represent 24% of innovation jobs today in U.S.:
  - Bitter debate about wisdom of policy.

- Looks at how H1-B program affected 319 technology firms:
  - Hiring a skilled immigrant leads one addition skilled job for native.
    - Creates additional opportunities.
  - Burt also leads to reduced share of workers over 40…
    - Growing, but more slowly than others.
Tom Eisenmann

- Compilation Of The Best Blog Posts On Technology Startup Management covering a wide range of topics:
  - Lean Startup
  - Business Models
  - Customer Discovery and Validation
  - Marketing: Demand Generation and Optimization
  - Sales, Marketing, and PR Management
  - Product Management/Product Design
  - Business Development and Scaling
  - Funding Strategy
  - Company Culture, Organizational Structure, Recruiting, and Other HR Issues
  - Startup Failure
  - Exiting by Selling Your Company
  - The Startup Mindset and Coping with Startup Pressures
  - Management and Career Advice
Research to Empower Entrepreneurs

- Multi-Disciplinary: Representing economics, finance, management, sociology, history, psychology, organizational behavior, government and policy, mathematics, and engineering.

- Strong ties with the National Bureau of Economic Research (NBER) and the Kauffman Foundation.

- Strong discipline-based researchers and business practitioners.

- Through the Rock Center we have been able to provide an integrative learning experience for students and outreach to alumni.
Josh Lerner
Unit Head
Rock Center for Entrepreneurship
Harvard Business School
Boston, MA 02163
1-617-495-6065

josh @ hbs.edu
www.people.hbs.edu/jlerner
@joshlerner 🐦