



The Leon Recanati Graduate School of Business Administration

Technology Ventures

Class will be conducted in English

תואר שני

בסמסטר א' תשפ"ב - הקורס יועבר באנגלית

Section	Day	Hour	Classroom	Lecturer	Email	Telephone
	יום ב'	18:45-21:30		Dr. David Zvilichovsky	davidz@tau.ac.il	

Teaching Assistant (TA): Tzahi Madgar (tzahi.m@gmail.com)

Office Hours: By Appointment

Course Units

2 Yas

8 ECTS (European Credit Transfer and Accumulation System) = 2 course units

Course Description

Technology Ventures

Overview

This course covers select topics in Entrepreneurship and Innovation. The course introduces students to the concepts, challenges and tools associated with the creation and evaluation of New Technology Ventures and reflects on some of the drivers of innovation as well as the societal effects of NTVs. During the course we shall discuss entrepreneurs and entrepreneurship, sharpen our abilities to review venture opportunities and expand our understanding of the various stages and factors which impact the success of NTVs.

The course also incorporates an overview of the Israeli High-Tech Eco-system and will use examples from past and current high-tech companies, policy instruments and related cases that facilitate a deeper understanding of concepts in entrepreneurship and innovation. The drivers behind successful high-tech ecosystems as well as the specific Israeli context are discussed.

Business model design methodologies are studied and implemented using current companies.

The course also includes an overview of market structures and concepts which have a strong impact on a wide variety of current-day technology ventures; including:

Networks and Network Externalities, Two Sided Markets, selling for Free and ‘The Long Tail’.

Issues pertaining to incorporation, financing, valuations, Venture Capital and deal structures as well as new financing regimes such as Crowdfunding are also discussed.

Teaching methodology incorporates lectures, case studies and active student participation.

As part of the course students are expected to apply the discussed frameworks and methodologies to an existing early stage technology venture. The course Assignments will be performed on portfolio companies of TheTime (www.thetime.co.il) a technology incubator with a focus on startups in the areas of Telecom, Internet, Media and Entertainment. This will allow participants to get a better feeling for the way theory becomes practice.

There is no exam. Class grade will be determined according to the course assignments, class presentation and participation. **Attendance is Mandatory.**

Course Objectives

This course introduces students to the concepts, challenges and tools associated with the creation and evaluation of New Technology Ventures.

The course also incorporates an overview of the Israeli High-Tech Eco-system and will use examples from past and current high-tech companies, policy instruments and related cases that facilitate a deeper understanding of concepts in entrepreneurship and innovation. The drivers behind successful high-tech ecosystems as well as the specific Israeli context are discussed.

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Evaluation of Student and Composition of Grade

Percentage	Assignment	Date	Comments
10 %	Attendance		Mandatory
15 %	Active Participation and thoughtful contribution to class discussions		
75 %	<ul style="list-style-type: none"> • Individual assignment • Group Assignment • Group Presentation 		Language: English

* This course requires class attendance and participation. Session will not be recorded.

Course Assignments

See Course Moodle site

Course Outline*

Course Topics and Plan Order and time allocation may change (Item 11 is subject to time availability) *	Recommended Reading (Details in Course References)	Additional Reading
<ol style="list-style-type: none"> 1. Course Introduction 2. Overview of the Israeli High Tech Industry: History & Landscape 3. The Israeli High Tech Eco System in perspective 4. Innovation externalities and R&D policy 	R1,R4	R5
5. Entrepreneurs and Entrepreneurship	P1, B1: ch 1	B6: p11-24
6. Frameworks for evaluating NTV opportunities.	B1: ch 2 & 4	
7. Designing & Evaluating Business Models	B2, B3	
<ol style="list-style-type: none"> 8. Factors affecting the success of early stage technology ventures. <ol style="list-style-type: none"> a) Industry Data b) Academic Research 	R2, R3 P3,P4,P5	R4,R5 P2
9. Networks, Externalities and Two Side Markets	B7	P6,P11
<ol style="list-style-type: none"> 10. Economic forces in today's interconnected world: <ol style="list-style-type: none"> a) Free b) Long Tail 	B8, P8 B9 , P7	P9
11. Sources and modes of Financing NTVs	R4, B1: ch 18	P10,P11,P12
12. (Time Permitting) Insights into Crowdfunding		

13. Group Presentations (2 Sessions)		
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*Subject to change

Reading References

Course References

The course shall cover select topics and data from the following publications:

Books:

- B1. **(TB)** Thomas Byers, Richard Dorf & Andrew Nelson, Technology Ventures from Idea to Enterprise, McGraw-Hill,
- B2. **(BP)** Alexander Osterwalder & Yves Pigneur, Business Model Generation, WILEY
- B3. **(4S)** Steven Gary Blank, The Four Steps to the Epiphany, successful Strategies for Products that Win
- B4. <>
- B5. **(GC)** Greg Clydesdale, Entrepreneurial Opportunity, The right Place at the right Time, Routledge
- B6. **(HB)** Ayala Malach-Pines & Mustafa F. Ozbilgin - Editors, Handbook of Research on High Technology Entrepreneurs, Edward Elgar Publishing
- B7. Carl Shapiro & Hal R. Varian, Information Rules: A Strategic Guide to the Network Economy, Harvard Business School Press
- B8. **(CA1)** Chris Anderson, Free: The Future of a Radical Price, Hyperion
- B9. **(CA2)** Chris Anderson, The Long Tail: Why the Future of Business is Selling Less of More, Hyperion

Reports:

- R1. **(UN)** Unesco Country R&D report
<http://uis.unesco.org/apps/visualisations/research-and-development-spending/>
- R2. **(SG)** The Startup Genome and ecosystem reports:
- R3. **(UC)** The Unicorn Club Report : Learning from Billion Dollar Startups
- R4. **(IVC1)** IVC-ZAG HT Survey
- R5. **(IVC2)** IVC - Meitar High-Tech Exits Report

Papers:

(Note that the list of papers is expected to be further updated during the course)

- P1. **(CP)** Perez, Carlota. "Technological revolutions and techno-economic paradigms." Cambridge journal of economics 34.1 (2010): 185-202.
- P2. **(DS)** Delmar F. & Shane S., Does experience matter? The effect of founding team experience on the survival and sales of newly founded ventures, *Strategic Organization*, 2006 vol 4/3:215-247
- P3. **(GO)** Gompers, P., Lerner J., Scharfstein D. and Kovner A. (2010). "Performance Persistence in Entrepreneurship and Venture Capital.", *Journal of Financial Economics*, 98(1),18-32
- P4. **(EA)** Eesley, Charles E., David H. Hsu, and Edward B. Roberts. "The contingent effects of top management teams on venture performance: Aligning founding team composition with innovation strategy and commercialization environment." *Strategic Management Journal* 35.12 (2014): 1798-1817.
- P5. **(MS)** Michael Song , Ksenia Podoyntsiyana, Hans Van der Bij & Johannes Halman, Success Factors in New Ventures: A Meta-analysis , *Product Innovation Management* 2008;25: pp 7-27
- P6. **(RS)** Raji Srinivasan, Gary L. Lilien, & Arvind Rangaswamy, First in, First out? The Effects of Network Externalities on Pioneer Survival, *Journal of Marketing*, 2004, pp 41-58
- P7. **(EB)** Erik Brynjolfsson, Yu (Jeffrey) Hu, Michael D. Smith , The Longer Tail: The Changing Shape of Amazon's Sales Distribution Curve , 2010
- P8. **(KS)** Kristina Shampanier, Nian Mazar, Dan Ariely, Zero as a Special Price: The True Value of Free Products, *Marketing Science*, 2007, pp 742-757
- P9. **(MP)** Martin Peitz, Patrick Waelbroeck, Why the music industry may gain from free downloading -The role of sampling, *International Journal of Industrial Organization*, 2006, pp 907-913
- P10. **(EM)** Ethan Mollick, The dynamics of crowdfunding: An exploratory study, *Journal of Business Venturing*, 2014, pp 1-16
- P11. **(DZ)** David Zvilichovsky, Yael Inbar & Ohad Barzilay: Playing on Both Sides of the Market: Evidence from a crowdfunding platform , 2016
- P12. **(DZ2)** David Zvilichovsky, Shai Danziger & Yael Steinhart: Making the Product Happen, a Driver of Crowdfunding Participation, *Journal of Interactive Marketing*, 2018