

# Courses' Syllabus

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## ADVANCED TOPICS IN VALUATION

**Course Load:** 80 hours

### Course Description:

The course is designed to cover advanced topics of corporate finance and firm and equity valuation from a conceptual and practical framework. Discounted cash flow models and relative valuation are used in standard cases (public companies) and specific cases (private companies, start-up, distressed companies, etc.). Finance theory is introduced in this course with application and integration of finance, business strategy and accounting concepts to valuation of companies.

### Objective:

The main objectives of this course are (students shall be able to):

- apply different valuation approaches as FCFF, FCFE, DDM and relative valuation to estimate firm and equity value;
- identify which technique best fits each case, outlining benefits and disadvantages of each situation;
- analyze a company's financial performance and extract information from the financial statements to make projections and estimates;
- identify and analyze value drivers and relate these drivers to the valuation process; - conduct a practical valuation of a company, in collaboration with other students, and produce a written report and an oral presentation.

### Program Content:

1. Introduction and approaches to valuation
2. Financial statements analysis and valuation
3. Cash flow, growth and terminal value determinants
4. Cost of equity, cost of debt and weighted average cost of capital (WACC)
5. Discounted cash flow valuation models: free cash flow to equity model, free cash flow to firm model and dividend discount model
6. Relative valuation: earnings, book value, revenue and sector specific multiples
7. Acquisitions and Takeovers: value of synergies and control
8. Valuation of start-up firms: private equity method, scoreboard
9. Valuation of private firms: size premium, value of transparency, total beta
10. Valuation of distressed firms: financial difficulties, bankruptcy costs, liquidation value

### Basic Bibliography

#### Books:

DAMODARAN, A. **Investment Valuation: Tools and Techniques for Determining the Value of Any Asset**, 2nd edition, New York, John Wiley & Sons, 2002.

COPELAND, T., KOLLER, T., MURRIN, J. **Avaliação de Empresas Valuation – Calculando e gerenciando o valor das empresas**, 3.a ed. São Paulo: Makron Books, 2002.

(see C2 for this reference in English)

DAMODARAN, A. **Finanças corporativas: teoria e prática**, 2.a ed. Porto Alegre: Bookman, 2004. (Damodaran, A. Corporate Finance: theory and practice, 2nd ed., Wiley, 2001)

## Article:

FERNÁNDEZ, P. (2017). Company Valuation Methods.  
Available at SSRN: <https://ssrn.com/abstract=274973>

## Complementary Bibliography:

### Books:

DAMODARAN, A., **Avaliação de Empresas**, 2ª ed., Pearson Prentice Hall, 2007.  
KOLLER, T., GOEDHART, M., WESSELS, D. **Valuation**. 4th edition, John Wiley & Sons, 2005.  
RAPPAPORT, A. **Creating Shareholder Value: A Guide for Managers and Investors**; Ed. New York Free Press, 2nd ed., 1998.  
BENNINGA, S., SARIG, O. H. **Corporate finance: a valuation approach**. New York: McGraw-Hill, 1997.  
TITIMAN, S., MARTIN, J. D. **Valuation: the art and science of corporate investment decisions**, 2nd ed., Boston: Prentice Hall, 2011.

### Articles:

FERNÁNDEZ, P., BILAN, A. (2013). 110 Common Errors in Company Valuations. International Journal of Economics & Business Administration, I(1), 33-78.  
ROSENBAUM, J., PEARL, J. Investment Banking. Valuation, leveraged buyouts, and Mergers & Acquisitions with data & analytics from Bloomberg. 2nd edition, New York, John Wiley & Sons, 2013.  
DAMODARAN, A. (2007). Valuation Approaches and Metrics: A Survey of the Theory and Evidence. Foundations and Trends in Finance, 1(8), 693-784.

## **ANALYSIS OF THE ECONOMIC ENVIRONMENT I**

**Total Course Load:** 80 hours

### **Course Description:**

This course is designed for students interested in Macroeconomics or those who are willing to learn but have not the opportunity yet. In part, for this reason the course balances the theoretical aspects with the more empirical ones. Students must be acquainted with the leading newspapers and blog in the world. Likewise, students should also follow the debate on the theoretical field.

Among the topics discussed in this course, one can find the following ones: monetary policy, quantitative easing, relationship between economic policy and the behavior of the main macro variables, leading and lagging indicators, fiscal policy, the external sector, growth forecast.

### **Objectives:**

Discuss and debate the ongoing problems in the macroeconomic scenario in Brazil and in the key countries like Japan, US, UK, Australia, New Zealand, Canada, Japan and China. The idea is to put together the previous theoretical framework that students learn in the early Macro and International Economics course with a real world approach. With that in mind, the course has two goals: one is to offer a crash course in economics and the second, and broader, idea is to prepare students for the demands of the upcoming job market.

### **Program Content:**

- Level of Activity: the real side of the economy.
- Employment and Income.
- Inflation and Monetary Policy
- Public Finance and Fiscal Policy. • External Sector and the World Economy.

### **Basic Bibliography**

#### **Books:**

Mishkin, Frederick. , **The Economics of Money, Banking and Financial Markets**, 8ª ed., Pearson - Prentice Hall, 2010

BLANCHARD, Olivier. **Macroeconomia**, 4ª ed., Pearson - Prentice Hall, 2010

Krugman, Paul & Maurice Obstfeld, **International economics**, 8ª ed., Prentice Hall, 2008

### **Complementary Bibliography**

#### **Books:**

ANDREW B. ABEL, **MACROECONOMIA - 6º EDICAO**, 6ª ed., PEB - PEARSON (NACIONAL), 2008

Bain, K. & Howells P. , **Monetary economics**, 2ª ed., MacMillan, 2009

CHAMP, Bruce; FREEMAN, Scott., **Modeling Monetary Economies**, 2ª ed., Cambridge University Press, 2001

SARGENT, Thomas J.,, **Dynamic Macroeconomic Theory**, a ed., Harvard University Press, 1987

SACHS, Jeffrey D.; LARRAIN B., Felipe., **Macroeconomia**, 11ª ed., , 1998

## **CIRCULAR ECONOMY: DESIGN FOR THE FUTURE**

**Total Course Load:** 40 hours

### **Course Description:**

The future is our contemporary!

So are its challenges and possibilities for solutions. The course proposes a deep incursion in the future as it provides to all students a set of theoretical, practical and group work experiences aimed at identifying and designing solutions to problems that lie ahead. In this sense, the course builds upon a project-based learning approach in which the development of a Circular Economy intervention guides learning and reflection.

The course converges towards the search for epistemological and methodological integration between Economics, Business and Engineering at INSPER. The course unfolds upon three articulated axes.

The **first axis develops the concept of Circular Economy** through lectures and a handful of real circular solution cases. Circular Economy is an advanced economic and harmonious industrial system that relies on the systematic application of strategies that slow, close or narrow material and energy flows aiming for a sustainable future (KIRCHHERR; REIKE; HEKKERT, 2017). Ideally, the cycles of materials – technical and biological nutrients – and energy enable reducing to zero the need for additional resource input and waste leakage to maintain a specific system (ELLEN MACARTHUR FOUNDATION, 2013). Issues such as systems thinking (MEADOWS, 2008), natural capital valuation (COSTANZA, 1997), servitisation (STAHEL, 1997), sharing economy (RIFKIN, 2014), and life-cycle engineering (UNEP, 2007) are central for the Circular Economy concept and will be discussed throughout the development of the first axis. It sustains the conceptualization of an envisioned system and definition of the metrics to evaluate the solutions proposed.

The **second axis involves comprehending the role of Systems Thinking to achieve transitions** into radically new sociotechnical structures like the Circular Economy. Thinking in systems enables understanding the complex network of causes and effects emanating from a problematic system (MEADOWS, 2008), e.g. the linear economy threatening Earth stability (STEFFENS et al., 2015). Envisioning and creating paths for the transition to the desired situation is enabled by understanding the causal structure of the as-is system. On the other hand, path dependence from cultural and infrastructural conditions restrict the options for today's interventions. Also, interventions may enact rebound effects, i.e. unintended systemic responses that can even overcome envisioned benefits. This way, Systems Thinking is embedded in this course to facilitate defining and prioritizing viable paths of transition from a linear to a Circular Economy.

The **third axis unfolds in the development of an intervention in the form of a business model and compelling narrative of change**. Students will be encouraged to envision a long-term intervention, to back cast to a solution that enables that desired future right away, and to carry out experimentation of such solution through minimal viable products and prototypes towards implementation. Design good practices and methods will be provided to

the teams (e.g. IDEO, 2016, LOORBACH, 2010). Students should develop the narrative necessary for validating the proposed business model along with users and specialists.

In this course, designing for the future means conceptualizing, prioritizing and experimenting interventions that enable the Circular Economy.

## Objectives:

At the end of the course, students should be able to:

- Understand and represent systems composed of multiple causes and feedback structures.
- Understand the Circular Economy concept and identify ideal cases that exemplify its application.
- Select and apply methods to design, prioritize and experiment interventions to achieve a more desired (and more circular) future within a specific context.

Throughout the course, students will be stimulated to develop skills such as teamwork and communication.

## Program Content:

1. Axis 1: Circular Economy
  - a. The Anthropocene and the Linear Economy flaws
  - b. CE Concept and related schools of thought
  - c. Types of circular solutions and cases classification
2. Axis 2: Systems Thinking
  - a. Developing Multiple Cause Diagrams
  - b. Assessing future behavior and impacts
3. Axis 3: Intervention design (Hands-on)
  - a. Designing for Transitions
  - b. Circular value design and experimentation

## Basic Bibliography

### Books:

ELLEN MACARTHUR FOUNDATION. Towards the circular economy: Economic and business rationale for an accelerated transition. Cowes, UK: [s. n.], 2013. E-book.  
MCDONOUGH, William; BRAUNGART, Michael. Cradle to Cradle: Remaking the way we make things. New York: North Point Press, 2010.  
MEADOWS, Donella H. Thinking in Systems: a Primer. London: Earthscan, 2008.

## Complementary Bibliography

### Books:

BOCKEN, Nancy et al. Product design and business model strategies for a circular economy. Journal of Industrial and Production Engineering, v. 33, No.5, p.308- 320, 26 abr. 2016.  
FRIEDMAN, Thomas L. Thank You for Being Late: An Optimist's Guide to Thriving in the Age of Accelerations. New York: Farrar, Straus and Giroux, 2016.  
GRIGGS, David et al. Sustainable development goals for people and planet. Nature, v. 495, p. 305-307, 21 mar. 2013.  
IDEO. The Circular Design Guide. 2017. Available at:

<https://www.circulardesignguide.com/>. Access in: 19 abr. 2019.

LOORBACH, Derk. Transition Management for Sustainable Development: A Prescriptive, Complexity-Based Governance Framework. *Governance: An International Journal of Policy, Administration, and Institutions*, v. 23, n. 1, p. 161-183, Jan 2010.

## Articles:

SIMON, Herbert A. *The Sciences of the Artificial*. 3. ed.: The MIT Press, 1996. 231p.

STAHEL, Walter. Circular Economy. *Nature*, v. 531, p. 435-438, 24 mar. 2016.

STAHEL, Walter. The service economy: 'wealth without resource consumption'?

*Philosophical Transactions of the Royal Society A, Great Britain*, v. 355, n. 1728, p. 1309-1319, 1997.



## DESIGN THINKING

**Total Course Load:** 40

### Course Description:

This discipline combines theory and practice of design thinking, a human-centered approach to innovation that combines the needs of people, the possibilities of technology, and the requirements for business success. It will prepare you to use creative tools to gather inspiration, generate ideas, make them tangible, and tell stories.

### Objectives:

To offer participants tools and techniques for human centered innovation, based on three big pillars: looking, understanding and making. Thus, participants will learn and practice the design thinking methodology to expand creativity, to gain insights more connected to the real needs of people, and to materialize ideas through prototyping (for product, service or spaces). The course is a balance between theory and practice and offers an opportunity to gain abilities to face a world with high level of complexity and changes. The theoretical part will be based on recent articles and cases about design thinking and the practical part will be based on a real field project conducted in groups. The discipline is held in rooms prepared for Design Sprints and in the Fab Lab (digital manufacturing laboratory located on the 4th floor).

### Program Content:

- Design Thinking and its connection with other areas of knowledge;
- Human Centered Design: looking, understanding and making;
- Design Thinking tools - empathy, data analysis and insights, opportunities, ideation, idea presentation, collaboration, prototyping and validation, storytelling;
- Field project: identification of an opportunity, proposal of a creative solution, prototyping, storytelling and validation;

### Basic Bibliography

#### Books:

KUMAR, Vijay. , **101 Design Methods: A Structured Approach for Driving Innovation in Your Organization.** , 1ª ed., Wiley & Sons, 2013

KNAPP, Jake. Sprint, **How to Solve Big Problems and Test New Ideas in Just Five Days.**, 1ª ed., Simon & Schuster, 2016

HATCH, Mark., **The Maker Movement Manifesto: Rules for Innovation in the New World of Crafters, Hackers, and Tinkerers,** 1ª ed., McGraw-Hill, 2016 **Article:**

Brown, Tim. . Design thinking. **Harvard business review** . , v. 86 , n. 6 , p. 84 , 2008.

### Complementary Bibliography:

#### Books:

OSTERWALDER, Alexander; PIGNEUR, Yves, **Business Model Generation: A Handbook for visionaries, game changers, and challengers.** , 1ª ed., John Wiley & Sons, 2010

OSTEWALDER, Alexander; PIGNEUR, Yves; BERNARDA, Greg; SMITH, Alan. , **Value Proposition Design: How to Create Products and Services Customers Want,** 1ª ed., Wiley, 2014

RIES, Marcus; SUMMERS, Diana, **Agile Project Management: A Complete Beginner's Guide to Agile Project Management**, <sup>a</sup> ed., , 2016  
VEZZOLI, Carlo; KOHTALA, Cindy; SRINIVASAN, Amrit; DIEHL, J. C.; FUSAKUL, Sompit Moi; XIN, Liu; SATEESH, Deepta. , **Product-Service System Design for Sustainability**, 1<sup>a</sup> ed., Greenleaf Publishing Limited, 2014  
MOHR, Lawrence B. , **Explaining organizational behavior**, <sup>a</sup> ed., Jossey-Bass, 1982

## Articles:

Liedtka, Jeanne. . Learning to use design thinking tools for successful innovation. **Strategy & Leadership** . , v. 39 , n. 5 , p. 13-19 , 2011.

IDEO.ORG. Design Kit. . , 2014. ; Available in: <http://www.designkit.org/>. Access in 24th may 2019.

WETTERSTEN, Jon; MALMGREN, Dean.. What Happens When Data Scientist and Designers Work Together?. **Harvard Business Review** . , 0.

BASON, C; AUSTIN, R. . The Right Way to Lead Design Thinking. **Harvard Business Review** . , 0.

## DIGITAL MARKETING

**Total Course Load:** 80 hours

### Course Description:

Digital economy. Technology. Communications with consumers. Consumer Data. Location based messaging and shared communication. Digital tools, monitoring tools. Social networking. Networked based predictive modeling. Targeting and referral strategies. Value producing.

### Objectives:

This course aims to identify the core topics that encompassed the effective management of digital marketing strategies, and it intends to provide a conceptual and practical structure concerning the use of digital tools and approaches to produce marketing strategies. Specific goals:

- The student should develop the critical ability to apply concepts, principles, and theories in this area of knowledge
- The student should be able to analyze and contribute to the development of a digital marketing strategy
- Students should develop a practical understanding of marketing tools within the digital environment

### Program Content:

These topics are subject to change. Initial plans are to cover the following: 1.

The context of the Digital Society: The forth revolution

2. Marketing 4.0 and digital landscape.

3. Digital marketing foundations: concept, the internet marketing paradigm and digital lifestyles.

4. The consumer journey and habits in the information and digital era; the Brazilian digital consumer.

5. Digital business models; business strategy in the digital age.

6. Outbound vs Inbound Marketing

7. On vs. Off marketing resource allocation

8. Digital advertising and promotion: Search advertising (paid search, display, SEO); social media (Google, Facebook, Instagram, YouTube) 9. Social listening: ratings and reviews; word-of-mouth.

10. Digital marketing metrics (analytics and reporting)

### Basic Bibliography

#### Books:

STONE, Bob; JACOBS, Ron., **Successful direct marketing methods: interactive, database, and customer-based marketing for digital age**, <sup>a</sup> ed., Mc Graw Hill, 2008

FARRIS, Paul W.; BENDLE, Neil T.; PFEIFER, Phillip E.; REIBSTEIN, David J., **Marketing metrics: 50 + metrics every executive should master**, <sup>a</sup> ed., Wharton School Publishing, 2007

SHIH, Clara Chung-wai, **The Facebook era: tapping online social networks to market, sell and innovate**, 2<sup>a</sup> ed., Prentice Hall, 2011 **Articles:**

KANNAN, P.K.; LI, H. A.. Digital marketing: a framework, review and research agenda.

. **International journal of research in marketing**. , v. 34 , n. 1 , p. 22-45 , 2016. ;

Available in:

<https://www.sciencedirect.com/science/article/pii/S0167811616301550?via%3Dihub>.

Access in 24 may 2019.

## Complementary Bibliography

### Books:

TAPSCOTT, Don; WILLIAMS, Anthony D. , **Wikinomics: how mass collaboration changes everything**, <sup>a</sup> ed., Portfolio, 2007

WUYTS, Stefan; DEKIMPE, Marnik G.; GIJSBRECHTS, Els; PIETERS, Rik (Ed.), **The connected customer: the changing nature of consumer and business markets**, <sup>a</sup> ed., N.Y.: Routledge, 2010

MOHAMMED, Rafi A., **Internet marketing: building advantage in the networked economy**, 2<sup>a</sup> ed., McGraw-Hill/Irwin , 2004

BOONE, Louis E.; KURTZ, David L. , **Contemporary Marketing**. , 11<sup>a</sup> ed., Thomson/SouthWestern, 2003

TRACY, Joe., **Web marketing applied**. , 1<sup>a</sup> ed., Advanstar, 2000

**Articles:**  
BORGES, M. T. P. M.; VERISSIMO, J. M. C. . Digital marketing and social media: why bother? . **Business horizons**. , v. 57 , n. 6 , p. 703-708 , 2014. ; Available in:

<https://www.sciencedirect.com/science/article/pii/S0007681314000949?via%3Dihub>.

Access in 24 mai 2019.

FLOREDDU, P.B.; CABIDDU, F.; EVARISTO, R.. Inside your social media ring: how to optimize online corporate reputation. **Business horizons**. , v. 57 , n. 6 , p. 737-745 , 2014. ; Available in:

<https://www.sciencedirect.com/science/article/pii/S0007681314000998?via%3Dihub>.

Access in 24 mai 2019.

## **FAMILY BUSINESS**

**Total Course Load:** 80 hours

### **Course Description:**

Family Businesses are the most common type of enterprise in the world and perhaps the most complex. Also, family firms drive economies and employment around the globe. Understanding the major differences in structuring and managing a family enterprise is the main objective of this program. And, if you come from a business family, tools to assess each dimension will be used, making it a real hands-on experience.

Attendance and preparation are mandatory, as well as the readings assigned for each topic.

### **Objectives:**

Understanding the essence of Business Families and Family Businesses; Strategy for the Firm and for the Family; Family Agreement and Governance; Succession and the new generations (Siblings, Cousins); Mediation and conflict management, Legacy and Values.

### **Program Content:**

Essentials of Family Businesses and Business Families  
Preparation and Research (genogram and history)  
Long term Strategy and Sustainability– Family and Business  
Basics of Governance: Family Agreement and Shareholder Agreement  
Sibling generation  
Cousins generation  
Interference of Third Parties  
Preparation of Heirs– Values, Legacy and Philanthropy  
Preparing to deal with difficult issues  
Preparing to working a Family Business or Family Office (special topic)

### **Basic Bibliography**

#### **Books:**

Aronoff, C., Ward, J. ,**Family Business Governance**,<sup>a</sup> ed., , 2011  
Kets de Vries, M. ,**Family Business on the couch: a Psychological Perspective**,<sup>a</sup> ed.,, 0  
Ward, J. , **Perpetuating the Family Business**,<sup>a</sup> ed., , 2004

### **Complementary Bibliography**

#### **Books:**

Aronoff, C. ,**Family Business Succession**,<sup>a</sup> ed., , 2011  
Willians, R. , **Preparing Heirs: Five Steps to a Successful Transition of Family Wealth and Values**,<sup>a</sup> ed., , 0  
Hughes, J. Family Wealth ,–**Keeping it in the Family: How Family Members and their Advisors preserve Human, Intellectual and Financial Assets for Generations**,<sup>a</sup> ed.,,  
Hilburt\_Davis, J, Dyer W. , **Consulting to Family Business**,<sup>a</sup> ed., , 2003  
PFEFFER, J., **Managing with Power**, 1<sup>a</sup> ed., Harvard Business School, 1992

## GLOBAL STRATEGY

**Total Course Load:** 80 hours

### Course Description:

The basic objective of this course is to comprehend the strategy and management of multinational corporations (MNCs). We will make use of in-class business case discussions, lectures as well as business case development and team presentations will illustrate real world applications of global strategy and international management. At the end of the course, students should be able to interpret competition in the global arena, assess the challenges of different MNCs and their relations with different countries, develop a practical understanding of the internationalization strategy options, and write an elementary business case.

### Objectives:

The basic objective of this course is to comprehend the strategy and management of multinational corporations (MNCs). We will explore the differences between managing a MNC and a domestic company and also how and why companies decide to expand abroad, and how they can become successful in the global arena.

This course is mainly targeted to help students understand the strategic issues and tradeoffs in a multinational context and assess the strategic performance of MNCs. This elective course is not only appropriate for students who intend to pursue careers in MNCs, but also for those attracted to management consulting, investment banking, venture capital, and other careers in the global context.

At the end of the course, students should be able to:

Interpret competition in the global arena

Assess the challenges of different MNCs and their relations with different countries

Develop a practical understanding of the internationalization strategy options

Write an elementary business case

In-class business case discussions, lectures as well as business case development and team presentations will illustrate real-world applications of global strategy and international management.

### Program Content:

1. Expanding Abroad: Motivations, Means, and Mentalities
2. Understanding the International Context: Responding to Conflicting
3. Developing Transnational Strategies: Building Layers of Competitive Advantage
4. Developing a Transnational Organization: Managing Integration
5. Creating Worldwide Innovation and Learning: Exploiting Cross-Border Knowledge Management
6. Engaging in Cross-Border Collaboration: Managing Across Corporate Boundaries
7. Building New Management Capabilities: Key to Effective Implementation
8. Shaping the Transnational's Future: Defining an Evolving Global Role

### Basic Bibliography

#### Books:

Bartlett, C. A., & Beamish, P. W. , **Transnational Management: Text and Cases in Cross border Management**, <sup>a</sup> ed., Cambridge University Press, 2018

Charles, E. Hill , **International Business: Competing in the Global Marketplace**, 10<sup>a</sup> ed., McGraw-Hill/Irwin, 2015

Pankaj Ghemawat , **Redefining Global Strategy: crossing borders in a world where difference still matters**, <sup>a</sup> ed., Harvard Business Review Press, 2007 **Articles:**  
Ghoshal, S. . Global Strategy: An Organizing Framework. **Strategic Management Journal**.  
, v. 425-440 , n. 8 , 0.

## **Complementary Bibliography**

### **Books:**

Cavusgil, S. T., Knight, G. & Riesenberger, J., **International Business: The New Realities**, 4<sup>a</sup> ed., Pearson, 0  
Guillén, M. F. & Ontiveros, E. , **Global Turning Points: The Challenges for Business and Society in the 21st Century**, 2<sup>a</sup> ed., Cambridge University Press, 2016  
Hill, C. W. L. & Hult, G. T. M, **Global Business Today**, 9<sup>a</sup> ed., McGraw-Hill Education, 2015  
Khanna, T. & Palepu, K. G., **Winning in Emerging Markets: A Road Map for Strategy and Execution**, <sup>a</sup> ed., Harvard Business Review Press, 2010  
Peng, M. W. , **Global Business**, 4<sup>a</sup> ed., Cengage Learning, 2016

### **Articles:**

Khanna, T., Palepu, K. G. . Emerging giants: building world-class companies in developing countries. **Harvard Business Review**. , p. 2-10 , 2006.  
Peng, M.W. . Institutional transitions and strategic choices. **Academy of Management Review**. , v. 28 , n. 2 , p. 275-296 , 2003.  
Ramamurti, R. . Developing countries and MNEs: extending and enriching the research agenda. **Journal of International Business Studies** . , v. 35 , n. 4 , p. 277-283 , 2004.

## **INTERNATIONAL DEVELOPMENT: STRATEGIES AND PRACTICES**

**Total Course Load: 80**

### **Course Description:**

This course discusses the literature on the role of the state policies, vis-à-vis private institutions and the 3rd sector, in promoting social and economic development. We will connect those studies with a broader literature on poverty reduction, economic development, and the reform of the state. It looks at major public policy strategies carried out by Brazil governments aiming at poverty alleviation and socio-economic development in a comparative perspective with policies implemented worldwide. The course seeks to inform students of the historical and contemporary dynamics of social and economic development policies in a comparative perspective, focusing on domestic and international policies.

Brazil is undergoing a period of heightened change and development. These changes might have led to some tensions and uncertainties, but also points out to innovative processes, which leads to distributional consequences and improved quality of life across the society. The primary objective is to sort out which processes, practices, and strategies have been central to successful policies and what role state structures plays in the process of development.

We will look at major social and economic policies, touching upon fiscal reform, urban and agrarian development policies, development agencies' roles, and micro-finance, innovation, and industrial policy.

This course will set out a basic economics and public management framework to understand the problems faced by emerging countries and use it to evaluate the issues and challenges they endure. It also addresses some of the promises and dilemmas of creating and implementing policies, through a number of best practices studies, which suggest that there is a smart and best way to impact the countries where we live.

### **Objectives:**

The students will be able to understand and criticize current development problems and strategies around the world, particularly in emerging economies. It is expected that the students will be able to evaluate policies in different contexts, both domestically and internationally.

The students will be able to:

1. Understand and analyze a definition of "development" and other development goals/objectives (e.g., well-being, prosperity, human development, sustainable development, global justice, etc.) as a goal of policies aimed at reducing global poverty
2. Describe the major competing approaches that aim to explain why some countries/individuals within countries have better human development outcomes than others
3. Discuss the role of politics in these processes and identify ways in which the politics and policy of development incorporates concerns about equity, efficiency, and effectiveness in the allocation of opportunities, resources, and rights
4. Explain the role of public and private institutions, organizations, ideas, and individuals and how they interact to create and transform the world in terms of public and private policy
5. Identify the major lessons learned from successful interventions and the challenges to scaling up effective interventions

### **Program Content:**

1. Intro: Why a Politics of Development? Development for whom?
2. Development Indicators
3. Development Economic Theories Overview



4. The Development Project and Discourse
5. Long-Term Determinants of Development Success: Geography and History
6. State-Building: Institutions
7. Development, Democracy, and Corruption
8. Security, Violence and Citizenship
9. Rights-Based Approaches to Development

## Basic Bibliography

### Books:

- ACEMOGLU, D.; ROBINSON, J. A., *Why Nations Fail: The Origins of Power, Prosperity, and Poverty*, 1ª ed., 2013
- BANERJEE, A. V., & DUFLO, E., *Poor Economics: A Radical Rethinking of the Way to Fight Global Poverty*, 1ª ed., PublicAffairs, 2012
- Ha-Joon Chang, *Bad Samaritans: The Myth of Free Trade and the Secret History of Capitalism*, 1ª ed., 0

## Complementary Bibliography

### Books:

- Fisman, Raymond; Miguel, Edward, *Economic Gangsters: Corruption, Violence, and the Poverty of Nations*, 1ª ed., Princeton University Press, 0
- Sen, Amartya, *Development as Freedom*, 1ª ed., Oxford University Press, 1999
- Collier, Paul, *The Bottom Billion: Why the Poorest Countries Are Failing and What Can Be Done About It*, 1ª ed., Oxford University Press, 2008
- Easterly, William, *The White Man's Burden: Why the West's Efforts to Aid the Rest Have Done So Much Ill and So Little Good*, 1ª ed., Penguin Books, 2007
- Sachs, Jeffrey, *The End of Poverty: Economic Possibilities for Our Time*, 1ª ed., Penguin Books, 2006

### Articles:

- Sen, Amartya. *Development as Freedom.*, 2000.
- Daron Acemoglu, James Robinson, and Simon Johnson. *Disease and Development in Historical Perspective.* *Journal of the European Economic Association.*, 2013.
- Diana Mitlin, Sam Hickey, and Anthony Babbington. *Reclaiming development? NGOs and the challenge of alternatives.* *Global Poverty Research Group.*, 2006.
- Duncan Green, Stephen Hale, and Matthew Lockwood. *How can a post-2015 agreement drive real change? The political economy of global commitments.*, 2012.
- Gilbert Rist. *Development as a Buzzword.* *Development in Practice.*, 0.
- James Ferguson with L. Lohmann. *The anti-politics machine: 'development' and bureaucratic power in Lesotho.* *The Ecologist.*, 1994.
- Nancy Birdsall. *E-framing the Development Project for the Twenty-First Century.* *Center for Global Development.*, 0.
- Owen Barder. *The Implications of Complexity for Development.* *Center for Global Development.*, 2012.; disponível em: <http://www.cgdev.org/media/implications-complexity-development-owen-barder>. Acesso em: 05 dez. 2019.
- Robert Wade. *The Developmental State: Dead or Alive.* *Development and Change.*, v. 49, n. 2, p. 518-546, 2018.

United Nation. A New Global Partnership: Eradicate Poverty and Transform Economies through Sustainable Development. The Report of the High-Level Panel of Eminent Persons on the Post-2015 Development Agenda., 2013.

Wolfgang Sachs. "Development: The Rise and Decline of an Ideal. Wuppertal Institute Paper., n. 108, 2000.; disponível em: <http://econstor.eu/bitstream/10419/49106/1/332536696.pdf>. Acesso em: 05 dez 2019.

## MACROECONOMICS AND FINANCIAL MARKETS

**Total Course Load:** 80

### Course Description:

This course is set for students who are willing to apply economics and finance to real world situations. The starting point here is that we start with a trading room, where we use a trading software with real time data where students learn how to create positions of stock indexes, interest rates and currencies. The course stresses the applied field of economics and finance. In previous courses students learned about banks, bank runs, leverage and derivatives. In this course we apply these concepts using a software that emphasizes future markets and option markets as well. Among the tasks, student groups, using a computer platform, decide to buy (or sell) the asset according to the economic environment and other variables into consideration. In each decision the software records monetary gain or loss and the winner is the one with highest monetary gain.

### Objectives:

The main goal of this course is to provide students taste of 'real life' situations in a hedge fund/ trading desk. In brief, students will learn how to trade the leading indexes in the world: S&P, Nasdaq, Dow Jones. The most important currencies: Euro/USD, USD/Yen, USD/Canadian Dollar; the metals: Gold, silver, copper; commodities: Corn and oil and the all NYSE stocks. Trading is a mixture of sound economic theory with a touch of economic news and lots of technical analysis. The proposal (and my wish) is to be able to pass along to students what makes successful trader/fund manager. We use computer software where students get acquainted with spot and futures transactions in the key markets: commodities, currencies, stock index e sand metals. Students will then apply option strategies like: straddles, butterfly, strangle, collar and candle, among others.

### Program Content:

- Bank Runs, Hedge Funds and Markets
- Understanding Interest Rates
- Mechanics of Future Markets
- Mechanics of Spot markets
- Leverage
- Margin calls
- Margin policy
- Technical Analysis and Robots and Expert Analysis
- The Federal Reserve
- Trading
- Capturing alpha and beta
- Risk management
- Tools of Monetary Policy

### Basic Bibliography

#### Books:

Mishkin, Frederick. , **The Economics of Money, Banking and Financial Markets**, 8<sup>a</sup> ed., Pearson - Prentice Hall, 2010

LOWESTEIN, R. , **When Genius Failed – The Rise and Fall of Long Term Capital Management**, 4<sup>a</sup> ed., Harper Collins, 2013

MURPHY, J. , **Technical Analysis of the Financial Markets**, <sup>a</sup> ed., NYIF, 2011

## Articles:

LEVINE R. and CORBAE, D. "Competition, Stability and Efficiency in Financial Markets. **Jackson Hole Symposium Paper Proceedings** . , 2018.

## Complementary Bibliography

### Books:

COVEL, M. , **The Complete Turtle Trader**,<sup>a</sup> ed., Harper Collins , 2016

DOUGLAS, M. , **Trading in the Zone** . ,<sup>a</sup> ed., Institute of Finance, 2015

COVEL, M. , **The Little Book of Trading**,<sup>a</sup> ed., John Wiley and Sons, 2011

SARGENT, T, **Dynamic Macroeconomic Theory**,<sup>a</sup> ed., Harvard University Press, 1992

Schwager, Jack, **Market Wizards (MW)**, ,<sup>a</sup> ed., Harper Collins, 1989

### Articles:

Gertler, Mark and Simon Gilchrist | What Happened: Financial Factors in the Great Recession. **Journal of Economic Perspectives** . , v. 3 , n. 32 , p. 3-30 , 2018.

Schwager, Jack. .The New Market Wizards (NMW). **Harper Collins** . , 1992.

1. Gertler, Mark, Nobuhiro Kiyotaki, and Andrea Prestipino. A Macroeconomic Model with Financial Panics. **NBER Working Paper** 24126. , 2017

## **ORGANIZING THE CROWD**

**Total Course Load:** 40

### **Course Description:**

Increasingly, new ventures and established firms are incorporating into their business models a vision where community members are empowered: users and clients, suppliers, and other stakeholders are expected to contribute directly to firms' strategy and ideas, thereby blurring the firms' boundaries. 'Crowds' are central to several widespread business models, including collaborative platforms where individuals' behavior and connections constitute a major source of data. We will unpack what is behind buzzwords like 'wisdom of crowds', 'crowdsourcing', 'collaborative platforms', 'online communities', 'user communities', 'communities of practice' and so on. The class dynamics will include case discussion, business model analysis and practitioners' lectures.

### **Objectives:**

In this class, we will pursue the following goals:

- examine how different business models rely on 'crowds' in order to generate value and establish their competitive advantage
- discuss how these business models rely on technological trends, including the increasing digitalization
- explore the implications of 'crowd-based' elements to implementation

### **Program Content:**

1. Collective Intelligence and Crowdsourcing
2. Social Capital and Networks
3. Collaborative Platforms
4. Open Innovation
5. Reputation Systems
6. Communities of Practice
7. Online Communities
8. Open Strategy
9. Designing research and experiments on communities, platforms and crowds

### **Basic Bibliography**

#### **Books:**

Heimans, Jeremy, e Henry Timms. *New Power*. Macmillan Publishers Aus., 2018.  
McAfee, Andrew, e Erik Brynjolfsson. *Machine, platform, crowd: Harnessing our digital future*. WW Norton & Company, 2017.  
Surowiecki, James. *The wisdom of crowds*. Anchor, 2005.

#### **Articles:**

Ansell, Chris, e Alison Gash. "Collaborative Platforms as a Governance Strategy". *Journal of Public Administration Research and Theory* 28, no 1 (1o de janeiro de 2018): 16–32.  
<https://doi.org/10.1093/jopart/mux030>.  
Birkinshaw, Julian. "Reflections on open strategy". *Long Range Planning* 50, no 3 (2017): 423–26.

Felin, Teppo, Karim R Lakhani, e Michael L Tushman. "Firms, Crowds, and Innovation". *Strategic Organization* 15, no 2 (maio de 2017): 119–40. <https://doi.org/10.1177/1476127017706610>.

Fisher, Greg. "Online Communities and Firm Advantages". *Academy of Management Review* 44, no 2 (abril de 2019): 279–98. <https://doi.org/10.5465/amr.2015.0290>.

Kohler, Thomas. "Crowdsourcing-based business models: How to create and capture value". *California Management Review* 57, no 4 (2015): 63–84.

O'Mahony, Siobhan, e Karim R Lakhani. "Organizations in the shadow of communities". *Research in the Sociology of Organizations* 33 (2011): 3–36.

## Complementary Bibliography

### Books:

Brabham, Daren C. *Crowdsourcing*. Mit Press, 2013.

Howe, Jeff. *Crowdsourcing: How the power of the crowd is driving the future of business*. Random House, 2008.

Nichols, Tom. *The death of expertise: The campaign against established knowledge and why it matters*. Oxford University Press, 2017.

Wellman, Barry. *Networked: the new social operating system*. Cambridge, Mass: MIT Press, 2012.

Von Hippel, E. *Democratizing innovation*. the MIT Press, 2005.

### Articles:

Appleyard, Melissa M., e Henry W. Chesbrough. "The Dynamics of Open Strategy: From Adoption to Reversion". *Long Range Planning* 50, no 3 (junho de 2017): 310–21. <https://doi.org/10.1016/j.lrp.2016.07.004>.

Boudreau, Kevin, e Karim Lakhani. "How to manage outside innovation". *MIT Sloan management review* 50, no 4 (2009): 69.

Boudreau, Kevin J, e Karim R Lakhani. "Using the crowd as an innovation partner." *Harvard business review* 91, no 4 (2013): 60–69.

Chua, Roy Y. J., Yannig Roth, e Jean-François Lemoine. "The Impact of Culture on Creativity: How Cultural Tightness and Cultural Distance Affect Global Innovation Crowdsourcing Work". *Administrative Science Quarterly* 60, no 2 (junho de 2015): 189–227. <https://doi.org/10.1177/0001839214563595>.

Dahlander, Linus, Siobhan O'Mahony, e David M Gann. "One foot in, one foot out: how does individuals' external search breadth affect innovation outcomes?" *Strategic Management Journal*, 2014.

Dahlander, Linus, e Siobhan O'Mahony. "Progressing to the center: Coordinating project work". *Organization Science* 22, no 4 (2011): 961–79.

Faraj, Samer, Srinivas Kudaravalli, e Molly Wasko. "Leading Collaboration in Online Communities." *Mis Quarterly* 39, no 2 (2015): 393–412.

Gadiraju, Ujwal, Gianluca Demartini, Ricardo Kawase, e Stefan Dietze. "Human beyond the machine: Challenges and opportunities of microtask crowdsourcing". *IEEE Intelligent Systems* 30, no 4 (2015): 81–85.

Gallus, Jana. "Fostering public good contributions with symbolic awards: A large-scale natural field experiment at Wikipedia". *Management Science* 63, no 12 (2016): 3999–4015. Gray, Mary L, Siddharth Suri, Syed Shoaib Ali, e Deepti Kulkarni. "The crowd is a collaborative network", 134–47. ACM, 2016.

- Greenberg, Jason, e Ethan Mollick. "Activist Choice Homophily and the Crowdfunding of Female Founders". *Administrative Science Quarterly* 62, no 2 (junho de 2017): 341–74. <https://doi.org/10.1177/0001839216678847>.
- Greenstein, Shane, e Feng Zhu. "Is Wikipedia Biased?" *American Economic Review* 102, no 3 (2012): 343–48.
- Greenstein, Shane, e Feng Zhu. "Do Experts or Crowd-Based Models Produce More Bias? Evidence from Encyclopedia Britannica and Wikipedia." *MIS Quarterly* 42, no 3 (2018). Harris, Christopher G. "The effects of pay-to-quit incentives on crowdworker task quality", 1801–12. ACM, 2015.
- Ho, Chien-Ju, Aleksandrs Slivkins, Siddharth Suri, e Jennifer Wortman Vaughan. "Incentivizing high quality crowdwork", 419–29. *International World Wide Web Conferences Steering Committee*, 2015.
- Kaethler, Michael. "Curating Creative Communities of Practice: The Role of Ambiguity". *Journal of Organization Design* 8, no 1 (dezembro de 2019): 10. <https://doi.org/10.1186/s41469-019-0051-z>.
- Kittur, Aniket, Jeffrey V Nickerson, Michael Bernstein, Elizabeth Gerber, Aaron Shaw, John Zimmerman, Matt Lease, e John Horton. "The future of crowd work", 1301–18. ACM, 2013.
- Klapper, Helge, e Markus Reitzig. "On the Effects of Authority on Peer Motivation: Learning from Wikipedia". *Strategic Management Journal* 39, no 8 (agosto de 2018): 2178–2203. <https://doi.org/10.1002/smj.2909>.
- Kurvers, Ralf HJM, Stefan M Herzog, Ralph Hertwig, Jens Krause, Patricia A Carney, Andy Bogart, Giuseppe Argenziano, Iris Zalaudek, e Max Wolf. "Boosting medical diagnostics by pooling independent judgments". *Proceedings of the National Academy of Sciences* 113, no 31 (2016): 8777–82.
- Manzini, Raffaella, Valentina Lazzarotti, e Luisa Pellegrini. "How to Remain as Closed as Possible in the Open Innovation Era: The Case of Lindt & Sprüngli". *Long Range Planning* 50, no 2 (abril de 2017): 260–81. <https://doi.org/10.1016/j.lrp.2015.12.011>.
- Martinez, Marian Garcia, e Bryn Walton. "The wisdom of crowds: The potential of online communities as a tool for data analysis". *Technovation* 34, no 4 (2014): 203–14.
- Mollick, Ethan, e Ramana Nanda. "Wisdom or madness? Comparing crowds with expert evaluation in funding the arts". *Management Science* 62, no 6 (2015): 1533–53.
- Monteiro, Felipe, Michael Mol, e Julian Birkinshaw. "Ready to Be Open? Explaining the Firm Level Barriers to Benefiting From Openness to External Knowledge". *Long Range Planning* 50, no 2 (abril de 2017): 282–95. <https://doi.org/10.1016/j.lrp.2015.12.008>.
- Muchnik, L., S. Aral, e S. J. Taylor. "Social Influence Bias: A Randomized Experiment". *Science* 341, no 6146 (9 de agosto de 2013): 647–51. <https://doi.org/10.1126/science.1240466>.
- Nagle, Frank. "Learning by Contributing: Gaining Competitive Advantage Through Contribution to Crowdsourced Public Goods". *Organization Science* 29, no 4 (agosto de 2018): 569–87. <https://doi.org/10.1287/orsc.2018.1202>.
- Wasko, Molly McLure, e Samer Faraj. "Why should I share? Examining social capital and knowledge contribution in electronic networks of practice". *MIS quarterly*, 2005, 35–57.

## **PRIVATE EQUITY AND VENTURE CAPITAL**

**Total Course Load:** 80 hours

### **Course Description:**

Private Equity Industry Overview ; Private Equity Entrepreneurial Ecosystem ; Funding Structure ; Fundraising process ; Investing and monitoring portfolio companies ; Exits and Distribution.

### **Objectives:**

Private Equity (PE) and Venture Capital (VC) funds are active investors that invest from startups to late stage, to mature companies with restructuring and consolidation opportunities to distressed firms. Besides financial resources, PE and VC funds usually improve portfolio companies' corporate governance, professionalization and use their network to increase growth opportunities and value creation. This industry has been growing significantly worldwide. Preqin estimates that in the end of 2015 there was around US\$1.4 trillion of dry powder globally (available financial resources for PE and VC new investments in companies). Brazilian PE and VC industry also has grown substantially in the last 30 years. The objective of this course is to introduce and discuss the Private Equity and Venture Capital industry, explain how are their cycles, who are the players, what are the risk and return for investors, why the industry is important for developed and emerging countries, what are their perspectives. Although we discuss the industry globally, we have a focus in Brazil.

### **Program Content:**

1. What are PE and VC funds and what are the benefits and costs of investing in this asset class.
2. PE and VC role in the Entrepreneurial Ecosystem: who are the players, what are their roles, what is the importance of the ecosystem for the economic development of a country. Structuring funds and the fundraising process.
3. The relationship between investors (LP – limited partners) and fund managers (GP – General Partners): conflict of interests and agency problems, compensation arrangements, contractual clauses and governance.
4. PE and VC funds as an asset class in institutional investors' portfolio.
5. Industry organization and difficulties in raising first time funds. Investing and monitoring portfolio companies
  1. Deal sourcing and evaluation: pre deal considerations and qualitative issues.
  2. Deal valuation: comparable, the Venture Capital Method, WACC and APV.
  3. Deal structuring: basic securities used to invest in portfolio companies, usual clauses, term sheets, due diligence
  4. Monitoring portfolio companies and implementing value creation strategies: boards, governance techniques, LBO model

### Exits and Distributions

1. Different kinds of exits
2. The IPO process
3. Distribution to LPs

### **Basic Bibliography**

#### **Books:**

GOMPERS, P. A.; LERNER, J., **The Venture Capital Cycle.**, 2ª ed., The MIT Press, 2004



METRICK, A.; YASUDA, A. , **Venture Capital and the Finance of Innovation**, 2ª ed., John Willey & Sons, 2011

LERNER, J.; LEAMON, A.; HARDYMON, F., **Venture capital, private equity, and the financing of entrepreneurship: the power of active investing.** , 1ª ed., John Wiley & Sons, 2012

## Articles:

INVEST EUROPE.. Guide to private equity and venture capital for pension funds. **Belgica.** , p. 33 , 0. ; Available in: <https://investeurope.eu/media/510671/Invest-Europe-PensionFund-Guide-to-Private-Equity-and-Venture-Capital.pdf>. Access in 08 nov 2019.

INSEAD..ESG in private equity:a fast evolving standard. . , p. 44 , 2014. ; Available in: <https://centres.insead.edu/global-privateequity-initiative/researchpublications/documents/ESG-in-private-equity.pdf>. Access in 08 nov 2019.

CULLINAN, G.; LE ROUX, J. M.; WEDDIGEN, R. M.. When to walk away from a deal. **Harvard business review.** , v. 82 , n. 4 , p. 97-104 , 2004. ; Available in: <http://eds.a.ebscohost.com/eds/pdfviewer/pdfviewer?vid=0&sid=f5ff591c-77ed-4ca6-8c48-b61aef98d971%40sessionmgr4007>. Access in 08 nov 2019.

LUEHRMAN, T. A.. Using APV: a better tool for valuing operations. . **Harvard business review.** , v. 75 , n. 3 , p. 145-154 , 1997. ; Available in: <http://eds.a.ebscohost.com/eds/pdfviewer/pdfviewer?vid=0&sid=890bd6fe-5030-4416a528-17d84023c675%40sessionmgr4010>. Access in 08 nov 2019.

## Complementary Bibliography

### Books:

HULL, J. C., **Options, Futures, and other derivatives**, 9ª ed., Prentice-Hall, 2015

TITIMAN, S., MARTIN, J. D., **Valuation: The art and Science of Corporate Investment Decisions**, 2ª ed., Pearson, 2011

LAKE, R., **Private equity and venture capital: a practical guide for investors and practitioners.** , 1ª ed., Euromoney Books, 2000

BREALEY, R. A.; MYERS, S. C.; ALLEN, F., **Principles Of Corporate Finance**, 11ª ed., McGraw-Hill, 2014

FELD, B.; MENDELSON, J., **Venture Deals: be smarter than your lawyer and venture capitalist** , 3ª ed., Willey, 2016

### Articles:

KESTER, W. C.; LUEHRMAN, T. A. . Rehabilitating the leverage buyout. **Harvard business review.** , v. 73 , n. 3 , p. 119-130 , 1995. ; Available in:

<http://eds.a.ebscohost.com/eds/pdfviewer/pdfviewer?vid=0&sid=b47fdd9d-a613-47a39245-4a4419f71867%40sessionmgr4008>. Access in 08 nov 2019.

MINARDI, A. M. A. F.; KANITZ, R. V.; BASSANI, R. H. . Private equity and venture capital industry performance in Brazil: 1990-2013.. **The journal of private equity.** , v. 17 , n. 4 , p. 48-58 , 2014. ; Available in: <http://eds.a.ebscohost.com/eds/pdfviewer/pdfviewer?vid=0&sid=544608a9-bcec-4f92-855f-de9c6ed1d769%40sessionmgr4009>. Access in 08 nov 2019.

## **SOCIAL INNOVATION**

**Total Course Load:** 40 hours

### **Course Description:**

In this course, students gain experience innovating to address social challenges through a design and entrepreneurship approach that emphasizes context, collaboration, and sustainability. The focus is on alleviating poverty by designing and field prototyping innovations that can generate income in local communities.

Topics covered include the conditions and causes of poverty, approaches to poverty alleviation, cultural awareness and community engagement, affordable design principles and practices, and social venture models and strategies. We will work with low-income communities both in the Cerrado region around the Federal District (Brasília, Distrito Federal) as well as in the São Paulo Metropolitan area.

The class has an important immersion component where students will build relationships with local partners, gain contextual awareness of local realities, and implement projects. Immersion trips will happen approximately during the weekends of week 4 and week 13. The immersion trip is a fundamental and compulsory part of the class.

### **Objectives:**

The student will be able to:

1. Experience design and social entrepreneurship practice in the context of base-of-the-pyramid and emerging markets.
2. Learn design and entrepreneurship principles and strategies unique to addressing poverty.
3. Reflect on one's personal understanding of and relationship to poverty.

### **Program Content:**

- Immersion: Look, ask and try, interviews and storytelling;
- Modeling: Framing the problem, problem framing tree, stakeholder analysis, decision matrix, problem statement;
- Ideation: brainstorming, Innovation Matrix;
- Creating a Solution: prototyping, design spiral, SROI, Affordability, Theory of Change.

### **Basic Bibliography**

#### **Books:**

1. MULGAN, Geoff. et al.. Social innovation: what it is, why it matters and how it can be accelerated. London: The Basingstoke Press, 2007.
2. POLAK, Paul. Out of poverty what works when traditional approaches fail. San Francisco: Berrett-Koehler Publishers, 2008.
3. AULLET, Bill. Disciplined Entrepreneurship.

#### **Articles:**

1. SROI Primer from the New Economics Foundation.
2. A Guide to Social Return on Investment from Social Value UK
3. The Bootcamp Bootleg from the Stanford D.School
4. IDDS Design Workbook from IDIN.org

### **Complementary Bibliography**

#### **Books:**

1. CHOI, Nia; MAJUMDAR, Satyajit (eds.). Technology and innovation for social change. Índia: Springer, 2015.
2. ELKINGTON, John; HARTIGAN, Pamela Hartigan. The Power of Unreasonable People: How Social Entrepreneurs Create Markets That Change the World. Hardcover. 2008.
3. KUMAR, Vijay. 101 design methods: a structure approach for driving innovation in your organization. Danver, MA: John Wiley & Sons, Inc., c2013.
4. COSTELLO, Amy. Troubled water. Front line world: stories from a small planet, 2010. Disponível em: <[http://www.pbs.org/frontlineworld/stories/southernafrica904/video\\_index.html](http://www.pbs.org/frontlineworld/stories/southernafrica904/video_index.html)>. Access in 01 out. 2016.
5. MCTIGHE, Jay; WIGGINS, Grant. Understanding by design: professional development workbook. [1st ed.]. Virginia, US: ASCD, 2004.

## VALUE CHAIN AND BUSINESS ECOSYSTEMS MANAGEMENT

**Total Course Load:** 80

### Course Description:

Competitive advantage, value creation, profitability pools, relative cost and relative price position, business management, value chain, supply and demand management, industry structure, firm resources and capabilities, activity systems, new venture/innovation, product design and production, business concepts and models, logistics, supply chain management, inter-firm coordination, business ecosystems structure, nodal advantage and strategies.

### Objectives:

By completion of the program, students will be able to:

- Understand value creation, competitive advantage and profitability sources of a firm;
- Analyze firm-level value chains to develop competitive advantage and improve profitability;
- Practice venture/innovation value chains to develop a new product;
- Recognize global and local industry-level value chains to design competitive supply chains;
- Understand competition in a networked economy – leveraging business ecosystems; Students will build from these concepts and practice to have an integrative perspective of business development and management.

### Program Content:

The course Value Chain and Business Ecosystems Management evolves from the concept of value chains, initially defined by Porter (1985) to business ecosystems, first defined by Moore, 1993 and more recently leveraged to overcome output-centric industry definitions in a networked economy. The underlying logic is to provide value chain/ecosystems management tools and to the extent possible, practice them through cases, exercises and a group project involving venture/innovation value chains in the design of a new product.

The course starts with an introduction to value creation, competitive advantage and profit pools, involving analysis of relative price and relative cost to relate the value chain and the business P&L. Then, the course unfolds in three main parts with different time dedication: the first one, firm-level value chains offers an integrative perspective of business management including its supply side (sourcing, inbound logistics, technology and production management), demand side (sales, marketing, distribution and revenue) and the value side (profit, cost and value-based management), from a strategic, planning and operations perspective. Students will develop a product design/production group project to experience the venture/innovation value chain within a firm, leveraging our FabLab and TechLab facilities.

The second part, industry-level value chains, builds on the extended enterprise concept to design differentiated supply chains (first defined by Keith Oliver, 1982). Competition is not anymore restricted to one firm but in how they interact/coordinate with anterior (suppliers) and posterior (clients) firms in their value chain, i.e. supply-chains are designed to link firm-level value chains from raw material producers to the delivery of final products to clients. Different cases and recent trends are going to be used to discuss tools and approaches to supply chain management.

Finally, the third part of the course discusses business ecosystems from its definition by Moore (1993) as a parallel to nature ecosystems evolution and dynamic characteristics, to recent strategies to build and compete with ecosystems – from competitive advantage of a firm to nodal advantage in an ecosystem (Kumar et al, 2015). Case discussion and

experiencing ecosystems among the groups in the venture/innovation value chain groups in the first part will be used to apply the concepts and ideas of business ecosystems.

## Basic Bibliography

### Books:

- SHAPIRO, J., **Modeling the Supply Chain (Duxbury Applied)**, 2ª ed., Cengage Learning, 2006
- MOORE, James F., **The Death of Competition: Leadership and Strategy in the Age of Business Ecosystems**, a ed., Harper Paperbacks, 1997
- MAGRETTA, J., **Understanding Michael Porter: The Essential Guide to Competition and Strategy**, 1ª ed., Harvard Business Review Press, 2011

### Articles:

- DASS, M.; Kumar, P.. Bringing product and consumer ecosystem to the strategic front.. **Business horizons**, , v. 57 , p. 225-234 , 2014. ; Available in: [https://ac.elscdn.com/S0007681313001870/1-s2.0-S0007681313001870-main.pdf?\\_tid=d51de126-3b00-4abf-94de-dd7bf83de058&acdnat=1535569103\\_1630bcc297b11690c1663de4224ac03d](https://ac.elscdn.com/S0007681313001870/1-s2.0-S0007681313001870-main.pdf?_tid=d51de126-3b00-4abf-94de-dd7bf83de058&acdnat=1535569103_1630bcc297b11690c1663de4224ac03d). Access in 14 jun 2019.

## Complementary Bibliography

### Books:

- CHIPCHASE, J.; STEINHARDT, S., **Hidden in Plain Sight: How to Create Extraordinary Products for Tomorrow's Customers**, a ed., HarperBusiness, 2013
- PORTER, M.E, **Competitive Advantage: Creating and Sustaining Superior Performance**, a ed., The Free Press, 1998
- STEAD, Jean Garner, STEAD, W. Edward, **Sustainable Strategic Management**, 2ª ed., Routledge, 2013
- ADNER, Ron, **The Wide Lens: A New Strategy for Innovation**, a ed., Portfolio, 2012
- PRESUTTI JR., W. D.; MAWHINNEY, J., **Understanding the Dynamics of the Value Chain**, a ed., Business Expert Press, 2013

### Articles:

- KUMAR, P.; KUMAR, S.; DASS, M.. From competitive advantage to nodal advantage: ecosystem structure and the new five forces that affect prosperity.. **Business horizons**, , v. 58 , n. 4 , p. 469-481 , 2015. ; Disponível em: <https://www.sciencedirect.com/science/article/pii/S0007681315000403?via%3Dihub>. Access in 14 jun 2019.
- HARSEN, M. T.; BIRKINSHAW, J. . The Innovation value chain. HBR Spotlight. **Harvard business review**, , v. 85 , n. 6 , p. 121-130 , 2007. ; Disponível em: <http://eds.a.ebscohost.com/eds/pdfviewer/pdfviewer?vid=0&sid=96f9cc49-b8c0-4d52ac71-97bf197148f8%40sessionmgr4010>. Access in 14 jun 2019.