

PRINCIPLES OF MANAGEMENT AND ENTREPRENEURSHIP

Course code	<i>MNG304</i>
Compulsory in the programmes	<i>Finance, International Business and Communication, Business Management and Marketing</i>
Level of studies	<i>Undergraduate</i>
Number of credits	<i>6 ECTS (48 in-class hours + 2 exam hours, 104 individual work hours)</i>
Course coordinator (title and name)	<i>Assoc. Prof. Dr. Eigirdas Žemaitis</i>
Prerequisites	<i>N.N.</i>
Language of instruction	<i>English</i>

THE AIM OF THE COURSE:

This is an introductory course in management theory, business fundamentals, and entrepreneurship, designed for students beginning their studies in business-related fields. The course introduces students to the evolution of management thought, core management functions, organizational structures, decision-making processes, leadership approaches, and the fundamental principles of how organizations create and capture value.

The course combines management theory with practical exploration of how businesses operate, compete, innovate, and adapt in dynamic environments. Students examine real-world examples, contemporary management challenges, interactive case studies, and practical business situations to connect theoretical concepts with managerial practice.

An additional emphasis is placed on entrepreneurial thinking and opportunity development. Students learn how entrepreneurs identify problems and opportunities, understand customer needs, formulate value propositions, and develop and test business ideas. Through practical activities, students work with real-world problems and transform initial ideas into simple business concepts, applying tools such as problem framing, customer discovery, value proposition design, Business Model Canvas, and rapid experimentation.

The course also introduces **AI-supported entrepreneurship and prototyping**. Students use generative AI and other digital tools to explore opportunities, generate and evaluate ideas, develop value propositions, create customer personas and journey maps, design solution concepts, and rapidly prototype products or services. Rather than treating AI simply as a productivity tool, students learn to use AI as a thinking and experimentation partner while critically evaluating its outputs, assumptions, limitations, and ethical implications.

Through a combination of management theory, cases, simulations, entrepreneurial challenges, teamwork, and AI-supported prototyping, students develop the ability to analyze organizational situations, make informed decisions, experiment with new ideas, and communicate solutions. The course provides a foundation for understanding both managing existing organizations and creating new value through entrepreneurial action, preparing students for further studies in management, entrepreneurship, innovation, and related disciplines.

MAPPING OF COURSE LEVEL LEARNING OUTCOMES (OBJECTIVES) WITH DEGREE LEVEL LEARNING OBJECTIVES (See Annex), ASSESMENT AND TEACHING METHODS

Course level learning outcomes (objectives)	Learning objectives for BSc in Social Science	Assessment methods	Teaching methods
CLO1. Explain the major theories, concepts, and functions of management and their relevance to contemporary organizations.	BLO1.1; ELO1.1	Mid-term exam	Lectures, seminars, self-checkup, self-study, case studies
CLO2. Describe and apply the core functions of management — planning, organizing, leading, and controlling — in organizational contexts.	BLO1.1; ELO1.1	Mid-term/final exam; group activities	Lectures, practical exercises, case

			studies, simulations, self-checkup
CLO3. Analyze the internal and external business environment and evaluate how market structures, PESTEL factors, competitive forces, and strategic choices influence organizational performance and opportunities.	BLO1.1; BLO1.2; ELO1.1; ELO1.2	Midterm test, final exam	Final exam; group activities
CLO4. Apply strategic management and decision-making concepts to analyze organizational problems, evaluate alternatives, and propose viable managerial solutions	BLO1.2; ELO1.2	Final exam; group activities	Case studies, decision-making exercises, simulations, strategic analysis, teamwork
CLO5. Identify customer problems, unmet needs, and entrepreneurial opportunities and develop value propositions and basic business models using appropriate entrepreneurial frameworks.	BLO1.2; ELO1.2	Group activities/presentation	Problem framing, customer discovery, opportunity identification, Value Proposition Canvas, Business Model Canvas, teamwork
CLO6. Apply innovation, experimentation, and rapid prototyping methods to develop and test solutions for identified business or customer problems.	BLO1.2; BLO3.2; ELO1.2; ELO3.2	Group activities/presentation	Innovation challenges, rapid prototyping, experimentation, testing, peer feedback, hackathon
CLO7. Use generative AI and other digital tools to support business analysis, opportunity discovery, ideation, decision-making, and prototyping while critically evaluating AI-generated outputs, assumptions, and limitations.	BLO1.2; BLO3.1; BLO3.2; ELO1.2; ELO3.1; ELO3.2	Group activities/presentation; final exam	Lecture, self-checkup during the seminar, self-study at home, case studies
CLO8. Evaluate the ethical, social, and organizational implications of managerial and entrepreneurial decisions and communicate proposed solutions effectively to relevant audiences.	BLO2.1; BLO4.1; BLO4.2; BLO4.3; ELO2.1; ELO4.1; ELO4.2; ELO4.3	Final exam; group presentation/activity	Case studies, ethical dilemmas, discussions, debates, presentations, pitching, peer feedback

ACADEMIC HONESTY AND INTEGRITY

The ISM University of Management and Economics Code of Ethics, including cheating and plagiarism are fully applicable and will be strictly enforced in the course. Academic dishonesty, and cheating can and will lead to a report to the ISM Committee of Ethics. With regard to remote learning, ISM remind students that they are expected to adhere and maintain the same academic honesty and integrity that they would in a classroom setting.

COURSE OUTLINE

Topic	In-class hours	Readings
1. An Introduction to Management. - Levels of management - Basic management functions: planning, organizing, leading and controlling - Roles and skills of managers - Managers and entrepreneurs: similarities and differences	6	Robbins, S. P., Coulter, M. A., & Long, L. Mintzberg, H, Katz, R. L.
2. Foundations of Management Thought I. - Classical management theories - Scientific Management (Taylor, Gilbreths), Administrative Theory (Fayol), - Bureaucracy (Weber)	6	Griffin, R. (2016). Fundamentals of management.
3. Foundations of Management Thought II. - Behaviour Management Theories - Human Relations Movement: Mayo, Maslow, McGregor - Contemporary relevance of classical theories	6	Griffin, R. (2016). Fundamentals of management.
4. Contemporary Management Perspective. - Knowledge management & learning organizations - Agile & lean management - Stakeholder theory & corporate social responsibility - Digital transformation & AI in management - Changing role of managers in technology-enabled organization	6	Griffin, R. (2016). Fundamentals of management.
Mid-Term Exam (1-4)		
5. Entrepreneurship and Entrepreneurial Skills - What is entrepreneurship? - Entrepreneurs, managers, and entrepreneurial managers - Entrepreneurial mindset and opportunity orientation - Key entrepreneurial skills. - Entrepreneurial process	4	Neck, H. M., Neck, C. P., & Murray, E. L, Scarborough, N. M., & Cornwall, J. R.
6. Business environment and entrepreneurial opportunities. - Understanding internal and external business environments - Porter's Five Forces and competitive analysis - Entrepreneurial opportunity discovery - From environmental trends to customer problems and business opportunities	6	Ardichvili, A., Cardozo, R., & Ray, S. Scarborough, N. M., & Cornwall, J. R.

7. Entrepreneurial planning - Fundamentals of strategic management: vision, mission, goals - Value proposition and business model fundamentals - Business Model Canvas	4	Osterwalder, A. & Pigneur, Y. (2010). Business Model Generation. Wiley
8. Experimentation and Entrepreneurial Decision-Making - Decision-making under uncertainty - Assumptions and hypotheses - Experiment design - Minimum viable product (MVP) - Evidence-based entrepreneurial decision-making - Learning from failure and iteration	4	Neck, H. M., Neck, C. P., & Murray, E. L. Scarborough, N. M., & Cornwall, J. R.
9. AI-Supported Innovation and Rapid Prototyping - Generative AI for entrepreneurship - AI-supported research and ideation - AI-assisted solution development - Rapid prototyping	4	Neck, H. M., Neck, C. P., & Murray, E. L. Scarborough, N. M., & Cornwall, J. R.
10. Entrepreneurship Integration and AI Solution Hackathon - Integrating problem, customer, solution and business model - Validating the solution - Entrepreneurial storytelling - Pitch structure - Final solution development	4	
	Total: 48 hours	
FINAL EXAM (5-10)	2	

* Relevant articles and papers will be uploaded and provided via e-learning.

FINAL GRADE COMPOSITION

Type of assignment	%
<i>Group Components 40%</i>	
Group presentations/activities	40
<i>Individual Components 60%</i>	
Midterm exam	30
Final exam	30
Total:	100

DESCRIPTION AND GRADING CRITERIA OF EACH ASSIGNMENT

(Provide short descriptions and grading criteria of each assignment)

1. The final exam will account for 30% of the final grade. The final exam will include topics after session 4. All the materials that were covered during the lectures and seminars are relevant for the final exam (including the articles presented by students).
2. The mid-term exam (30%) will include the topics before session 5. All the materials that were covered during the lectures and seminars are relevant for the mid-term exam (including the articles presented by students).
3. Students will do groupwork activities throughout the semester. All activities will be accumulated in the final group evaluation. Group work cannot be resubmitted later than the assigned dates and cannot be retaken.

RETAKE POLICY

If final (cumulative) mark of the course, including final exam score, is insufficient, students will be allowed to exercise their right of retake. The retake exam will cover all lectures and case-discussion topics discussed in class during the course. It will be held during the last week of the exam session and will replace the 60% of exams (mid-term and final). Acquired scores from all assignments will be summed up and the final (cumulative) grade will be given. The lecturer reserves the right to choose the form of the exam (multiple choice/ open answer questions/ essay).

USE OF GENERATIVE ARTIFICIAL INTELLIGENCE

Generative AI is treated in this course as a professional tool, not as a shortcut. Learning outcome CLO7 requires students to use generative AI and other digital tools to support business analysis, opportunity discovery, ideation, decision-making and prototyping, and to critically evaluate the outputs, assumptions and limitations of these tools. Developing this competence is part of the course. The guiding rule is simple: AI may support your thinking, but it may not replace it. Students remain fully responsible for everything they submit, present or claim, including any factual error, fabricated source, biased assumption or unsupported statement generated by an AI tool.

Group activities and seminar exercises (40%)

Students may use generative AI tools in group activities and seminar exercises for the following purposes:

- to deepen understanding of management and entrepreneurship concepts, identify relevant theories and find applicable examples;
- to work more efficiently with literature and data, including summarising, structuring and comparing sources;
- to generate, expand and stress-test ideas, and to challenge the group's own reasoning (for example, by asking AI to argue the opposite position);
- to draft and iterate on working materials such as personas, journey maps, value proposition and business model canvases;
- to improve the quality of written and spoken English, including grammar, style and clarity.

The following conditions apply. Information obtained from AI tools must be cross-verified against course readings and other credible sources before it is used. AI-generated content is not a reliable academic source and must not be cited as such; cite the original source instead. The analysis, argument and conclusions presented must be the group's own work — submitting AI-generated text in place of the group's own reasoning is not permitted. Where an activity states that it is to be completed without AI support (for example, in-class conceptual checks or individual reflections), that instruction takes priority. Any use of AI tools beyond the purposes specified above must be agreed with the course instructor in advance.

AI Solution Hackathon and rapid prototyping

In the AI-supported innovation sessions and the final hackathon, the use of generative AI is not only permitted but expected. Teams may use AI tools to research the problem space, generate and evaluate solution concepts, and to produce prototype artefacts — mock-ups, visuals, interface designs, code, copy and pitch materials. An AI-generated prototype is a legitimate deliverable and will not be penalised.

What must be the team's own work is the thinking behind the prototype:

- the choice and framing of the problem, and the evidence that it is a real problem for a real customer;
- the customer insight, assumptions, hypotheses and the way they were tested;
- the value proposition and the logic of the business model;
- the judgement about which AI-generated option to pursue, and why the alternatives were rejected;
- everything said during the pitch and the question-and-answer session.

Any factual claim used to justify the solution — market size, competitor information, customer statistics, regulatory conditions — must be verified against a credible source, regardless of whether an AI tool produced it. Teams should be prepared to show that verification.

Declaration of AI use

Every group submission and hackathon deliverable must include a short declaration of AI use — one slide or a brief section — stating which tools were used, for what purposes, and what the team did to verify, correct or improve the AI-generated output. The declaration is not graded on how much or how little AI was used, and honest declaration is never penalised. Undeclared, misrepresented or prohibited use of AI tools is a breach of academic integrity and will be handled under the ISM Code of Ethics.

Mid-term and final examinations (60%)

The mid-term and final examinations are individual work. The use of generative AI tools, AI-enabled devices, browser assistants or any other form of automated support during the examinations is not permitted and is treated as cheating. AI tools may, of course, be used when preparing for the examinations, for example to test one's own understanding, generate practice questions or explain a concept in a different ways, provided the understanding demonstrated in the examination is the student's own.

Verification and oral defence

The course instructor may at any time ask a group or an individual student to explain the reasoning, sources, concepts, data or design decisions behind submitted work, in class or in a short oral discussion. This applies to all assignments, whether or not AI tools were used. Being unable to explain or defend submitted work, including work produced with the help of AI — will be reflected in the grade and may be treated as a case of academic dishonesty and reported to the ISM Committee of Ethics.

Responsible use of data

Students must not upload confidential, proprietary or personal data into generative AI tools. This includes the internal information of partner organisations, unpublished company data and the personal data of interviewees or survey respondents. Customer research material must be anonymised before it is processed with an AI tool.

If in doubt about whether a particular use of AI is acceptable, ask the course instructor before submitting. More detailed guidance will be provided together with the instructions for the group activities and the hackathon.

ADDITIONAL REMARKS

Attendance and participation in the lectures and seminars is obligatory. Studying solely from slides/ course book is not considered to be a sufficient preparation for the exam.

Bonus points. The instructor has the right to award active students with up to 0,2 extra (grade) points. These "bonus points" will be only be awarded to students whose (rounded) final grade would increase after all.

Due to the dynamic nature of the content of the course additional material can be assigned during the course. In case of unforeseen events the schedule will be adapted. The lecturer is trying to include actual and relevant materials – therefore the reading list may differ. Slide handouts and readings will be prepared for each class and available for download. The slides are the intellectual property of teaching instructor and students may not distribute or duplicate these notes without written consent.

REQUIRED READINGS

Robbins, S. P., Coulter, M. A., & Long, L. — Management, 16th ed. (2024)

Mintzberg, H. — Managing (2009)

Katz, R. L. (1974). "Skills of an Effective Administrator." Harvard Business Review, 52(5), 90–102.

Griffin, R. (2016). Fundamentals of management. Cengage Learning.

Ardichvili, A., Cardozo, R., & Ray, S. (2003). "A theory of entrepreneurial opportunity identification and development." Journal of Business Venturing, 18(1), 105–123.

Osterwalder, A. & Pigneur, Y. (2010). Business Model Generation. Wiley

Neck, H. M., Neck, C. P., & Murray, E. L. (2018). Entrepreneurship: The Practice and Mindset. SAGE.



Scarborough, N. M., & Cornwall, J. R. (2016). Essentials of Entrepreneurship and Small Business Management (8th ed.). Pearson.

ANNEX

DEGREE LEVEL LEARNING OBJECTIVES

Learning objectives for the Bachelor of Business Management

Programmes:

*International Business and Communication,
Business Management and Marketing, Finance,
Industrial Technology Management*

Learning Goals	Learning Objectives
Students will be critical thinkers	BLO1.1. Students will be able to understand core concepts and methods in the business disciplines
	BLO1.2. Students will be able to conduct a contextual analysis to identify a problem associated with their discipline, to generate managerial options and propose viable solutions
Students will be socially responsible in their related discipline	BLO2.1. Students will be knowledgeable about ethics and social responsibility
Students will be technology agile	BLO3.1. Students will demonstrate proficiency in common business software packages
	BLO3.2. Students will be able to make decisions using appropriate IT tools
Students will be effective communicators	BLO4.1. Students will be able to communicate reasonably in different settings according to target audience tasks and situations
	BLO4.2. Students will be able to convey their ideas effectively through an oral presentation
	BLO4.3. Students will be able to convey their ideas effectively in a written paper

Learning objectives for the Bachelor of Social Science

Programmes:

*Economics and Data Analytics,
Economics and Politics*

Learning Goals	Learning Objectives
Students will be critical thinkers	ELO1.1. Students will be able to understand core concepts and methods in the key economics disciplines
	ELO1.2. Students will be able to identify underlying assumptions and logical consistency of causal statements
Students will have skills to employ economic thought for the common good	ELO2.1. Students will have a keen sense of ethical criteria for practical problem-solving
Students will be technology agile	ELO3.1. Students will demonstrate proficiency in common business software packages
	ELO3.2. Students will be able to make decisions using appropriate IT tools
Students will be effective communicators	ELO4.1. Students will be able to communicate reasonably in different settings according to target audience tasks and situations
	ELO4.2. Students will be able to convey their ideas effectively through an oral presentation
	ELO4.3. Students will be able to convey their ideas effectively in a written paper