

ENTREPRENEURSHIP: NEW VENTURE CREATION

ENTR-7005-001

CARL H. LINDNER College of Business

University of Cincinnati

Spring Semester, 2018

Monday 6:00-8:50 p.m. (Lindner Hall 219)

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Office: 202 Lindner Hall
Office Hours: Before/After Class & By Appt. Email: lechnegg@uc.edu
Web page: <http://blackboard.uc.edu>

Learning Objectives:

- ◆ To explore, analyze, and discuss the concept of entrepreneurship.
- ◆ To sharpen abilities needed to formulate a business plan for an original venture concept.
- ◆ To practice evaluating new venture concepts and better understand the complexity of new venture initiation.
- ◆ To write a comprehensive, solid, executable new venture business plan.
- ◆ To integrate knowledge and skills from previous coursework and business experience.
- ◆ To think like an entrepreneur
- ◆ To learn your personal strength's DNA and how to use it to form highly productive teams

Brief Overview:

“Entrepreneurship: New Venture Creation” (ENTR-7005) focuses on the total enterprise creation process: all the functions, activities and actions associated with perceiving, clarifying, and refining opportunities, crafting a business plan, and creating organizations to pursue your entrepreneurial objectives. ***This course helps students develop the skills and knowledge that will enable them to be effective entrepreneurs and/or members of entrepreneurial teams.*** While our primary focus will be on independent ventures, the knowledge, skills, and capabilities gained here should be relevant to those involved in creating new ventures within the context of established corporations, public or private

Selected topics include: The entrepreneurial process; identifying and cultivating ideas; the business planning process; entrepreneurship and e-commerce; identifying and raising capital; implementing the plan; managing growth; and harvest options. Our focus is built upon the principles of strategic management. It takes the view of the general manager, uses concepts from many of your management and other courses, and considers the total enterprise.

In addition to the above, you will learn:

1. Your individual Strength's DNA and How to build effective entrepreneurial teams
2. How to identify and evaluate new venture opportunities.
3. To understand what is required for a business plan.
4. How to gather the resources necessary to implement such a plan.
5. The art and science of managing and growing the business.

Texts:

REQUIRED:

Tom Rath. *StrengthsFinders 2.0*, Gallup (ISBN #978-1-59562-015-6)

Recommend ordering the online version of the text at:

<https://www.gallupstrengthscenter.com/Purchase/en-US/Product>

Note: When ordering online it will be necessary for you to order the “All 34 CliftonStrengths Access version (\$89)”.

Handouts and electronic materials as assigned.

OPTIONAL:

Spinelli, Jr., Stephen and Adams, Robert, 2016. *New Venture Creation: Entrepreneurship for the 21st Century*, 10th Edition, Boston, MA: Irwin McGraw-Hill. (ISBN: 0077862481)

Bagley, Constance E., & Dauchy, Craig E., 2012. *The Entrepreneur's Guide to Business Law, 4e*, Mason, OH: South-Western Cengage Learning. (ISBN: 0538466464)

Preparing for Class:

Cases, articles and textbook readings assigned for a scheduled class period are to be carefully read and studied BEFORE coming to class on that day. In some cases you will be required to submit a written analysis of a case reading or article. A subsequent reading after the in-class discussion often helps make the learning more permanent, and makes writing your business plan easier.

The PowerPoint presentations given in class will be available on Blackboard under Lecture Presentations.

Role of Students in Class:

Your questions/comments/input during the class lectures are not only welcome but will be a significant factor in your final grade! Classes will start and end on time, so please be here at the start of class. Do not leave early unless you become ill. If you have an appointment such that you need to arrive late or leave early, please inform the instructor before class.

Academic Dishonesty:

All academic programs at the Lindner College of Business now apply a “**Two Strikes Policy**” regarding Academic Integrity. Any student who has been found responsible for two cases of academic misconduct may be dismissed from the College.

The “Two Strikes Policy” supplements the UC Student Code of Conduct (see: http://www.uc.edu/conduct/Code_of_Conduct.html). All cases of academic misconduct (e.g., cheating, plagiarism, falsification) will be formally reported by faculty. Students will be afforded due process for allegations, as outlined in the policy. If a student is found guilty of academic

misconduct in two instances, the student may be dismissed from the Lindner College of Business.

Ethics Policy:

All business concepts/plans/presentations must be based on legitimate business enterprises that do not involve breaking the law as part of the business model. For example, plans that involve music/movie/video piracy, black market distribution of prescription medications, among others are **unacceptable**.

Plans involving sin industries are also **prohibited**. These include alcohol (e.g., production, distribution, bars), tobacco, pornography, strip clubs, and gambling, among others.

Inclement Weather:

We will follow the **University's Inclement Weather Policy**. Listen to your radio for official University announcements. If the University is open, we will have class. Should a class be cancelled due to weather, we will reschedule it as necessary.

Late Assignments:

Late assignments will not be accepted and will receive a grade of 0. No makeup assignments will be provided.

Grading Structure:

Class Attendance/Participation & Assignments (Individual)	225 points
Written Business Plan Part A (Team)	170 points
Written Business Plan Part B (Team)	300 points
Elevator Pitch (Team/Individual)	65 points
Business Plan Presentation (Team)	140 points
Business Plan Peer Evaluation (Individual)	<u>100 points</u>
	1,000 points

Grade Determination:

There are 1000 possible points that can be accumulated. You are guaranteed:

- A if you acquire 930 points,
- A- if you acquire 900-929 points,
- B+ if you acquire 870-899 points,
- B if you acquire 830-869 points,
- B- if you acquire 800-829 points,
- C+ if you acquire 770-799 points,
- C if you acquire 730-769 points,
- C- if you acquire 700-729 points,
- D+ if you acquire 670-699 points,
- D if you acquire 600-699 points,
- F (FAILING GRADE) if you acquire <600 points.

Reviewing your Grades

1. Grades are not curved during or at the end of the semester or in the computation of final grades. A student that earns 829 points will receive a B-. Missing a grade (e.g., B) by “just 1-2 points” is still missing a grade. The course is designed to provide you with several opportunities to demonstrate your effort and learning. Make-ups will not be granted.
2. Graded work may be appealed in WRITING.
3. Your individual/team grades will not be discussed in the classroom during class time.
4. Questions regarding your individual/team results will be answered during office hours. You will always be able to view your scores on Blackboard, once they are posted.

Teams

While some of your grade is based on your individual results, students should be aware that a significant portion of their grade is linked to team performance. As in business, choosing the wrong business associates can be very costly. Teams can be as large as 3 and should not be less than 2. A portion of your business plan grade will include a structured peer evaluation of your individual performance. **Your team based grades (Note the components marked as “Team” above), may be adjusted up or down based on the peer reviews. If your peers appraise your contributions as inferior (i.e., <B) you will receive only a portion of ALL of the team-based grades throughout the course.**

Guest Speakers & Mentors

In addition to faculty support, your team will be provided access to external experts including successful entrepreneurs, start-up leaders, consultants, or executives. You should plan to meet with them, in or outside of class time, either in-person, online, and/or by phone. Making full use of these resources is key to garnering support for and accelerating the success of your new business. They will be active in judging the Elevator Pitch Competition, and Final Business Plan presentations. These in-class competitions prepare you for future opportunities to win prize money, as well as launch funds and incubator support.

Class Participation & Attendance:

You are expected to attend every one of the classes. If it will be necessary for you to miss more than one class, I strongly advise you to take this class another semester. Persons with significant absences may be administratively dropped from the class. Excessive tardiness or early departures will be treated as absences. Please notify the professor on the first day of classes if the class schedule conflicts with your religious holidays so that suitable arrangements can be made to respect these holidays.

Participation will be graded on a regular basis. A score of 1 indicates the student was present, but made a limited or no contribution to the class discussion. A score of 3 is a typical score and reveals the student made a satisfactory contribution. A score of 5 is reserved for students whose contribution to the class is high in terms of both quality and quantity of comments. **Written in-class exercises** administered by the instructor may substitute for class discussion from time to time.

Elevator Pitch:

As part of this course, your team will compete in an in-class elevator pitch competition that helps to prepare you to pitch to prospective investors. Each individual on the team is given the opportunity to pitch. This assignment is graded 65 points toward your final grade. A detailed rubric will be available online.

Written Business Plan:

The business plan is the collective effort of your team. It is a document you should be able to present to potential customers, suppliers, the investment community, and others to obtain the resources you need to succeed in launching your new venture. Detailed rubrics will be posted online regarding this assignment. It will be based on those used by professional associations in evaluating new business plans. Parts A (170 points) and B (300 points) of this assignment collectively constitute the largest component of the course.

Business Plan Presentation:

This component of the course is worth 140 points and is designed to demonstrate your ability to tell your story and “wow” a group of potential investors. In preparation for your business plan presentation each team will compete in an elevator pitch competition. It is key that all team members play a significant role in both the elevator pitch competition and in the final presentation. One way to achieve this is to assign each team member a functional role in the new business (e.g., V.P. Finance, CEO, etc.). Presentations will last 10-15 minutes with extensive Q&A following each. Students should be prepared to respond to shortcomings in their new venture plan. Recommendations for success and a rubric will be posted on blackboard.

Contribution to Future Success:

At the discretion of the instructor, assignments completed in this course may be shared with students in future class sessions to improve their ability to write high quality plans and compete successfully in competitions.

Key Administrative Dates:

First Class Meeting: Mon, Jan 8

Holidays: Martin Luther King Jr Day – Mon, Jan 15

Spring Break -- Mon, Mar 12

Last Class Meeting: Mon, April 16

Tentative Course Outline:

Week	Class	Tentative Schedule and Topics	Assignments
1	Mon-8-Jan	Introductions	Order Strengths Finder textbook & read Part 1 Complete Strength Finders Assessment
		Course Outline and Expectations Review Syllabus	Complete online Self-Introduction in Google Sheets. Use link provided in class announcement
		Top Trends Impacting Entrepreneurship PPT –	
2	Mon-15-Jan	NO CLASS – Martin Luther King Jr Holiday	Ideal Business Plan Assignment Due
			Strengths Finder Assignment Due
			Read Chapters 1 & 2
3	Mon-22-Jan	Techniques to Identify New Business Ideas PPT Creativity and Ideation PPT	Team Roster Due by EOC
		Review New Venture Idea Generator (NVIG)	Read Chapter 3 & 4
		Case: Monroe Lock & Security Systems	Submit Case Write-up for TODAY's Class
4	Mon-29-Jan	Entrepreneurship PPT	NVIG assignment due
		Team-based Discussions of NVIG Work	Read Chapters 5 & 6
		Evaluating Business Ideas	

5	Mon-5-Feb	Teams Introduce Concepts to Class - Problem/Solution/Market Size/People/Proof	Teams present Business Concepts to Class And submit 1 page summary of business concept
		Business Plans PPT Start with Why video	Read Chapter 7 & 8
		Case Supply Dynamics Guest Speaker, Cincinnati's top entrepreneur – Larry Kavanagh	Submit Case Write-up for TODAY's Class
6	Mon-12-Feb	Marketing Planning for New Ventures PPT - Market Segmentation - Customer Target - Market Positioning	Teams submit Business Model Canvas, Mission Statement and Compelling Problem statement
			Read Chapter 9 & 10
		Review Business Plan Part A (Marketing Plan Assignment)	
7	Mon-19-Feb	Organizational Planning PPT	Read Chapters 11 & 12
		Case: Beach Carrier	Submit Case Write-up for TODAY's Class
8	Tue-27-Feb	Legal Aspects of Entrepreneurship. PPT	Business Plan Part 1 (Marketing Plan Assignment) Due
		Guest Lecturer – Vance Van Drake, Intellectual Property Attorney, Partner- Ulmer and Berne	Read Chapter 13 & 14
		Review Business Plan Part B Assignment	
9	Mon-5-Mar	Financing A New Venture	Read Chapter 15 & 16
		Panel Presentations from leading suppliers/sources of funding: e.g. SBA, Commercial Bank Financing New Ventures PPT	

10	Mon-12-	NO CLASS – SPRING BREAK	
11	Mon-19- Mar	Case: Send A Song Case	Submit Case Write-up for TODAY's Class
		Elevator Pitches. PPT Evaluate: Elevator Pitch Examples	Read Chapter 17 & 18
		Guest Speaker – Eric Fulkert, Entrepreneur and head of The Founders Institute	
12	Mon-26- Mar	Financial Planning PPT	
		New Venture Business Plan Presentations Evaluate: Presentation Examples	
		Case: Skillfinders	Submit Case Write-up for TODAY's Class
13	Mon-2- Apr	ELEVATOR PITCH COMPETITION	COME PREPARED TO PITCH!
		Mentor/Judges Feedback	
14	Mon-9- Apr	CLASS CELEBRATION/RECOGNITION	
		Team Workshop	
		Networking & Marketing Yourself	
15	Mon-16- Apr	NEW VENTURE BUSINESS PRESENTATION (Judges Q&A)	COME PREPARED TO PRESENT!
	Friday-20- Apr	WRITTEN BUSINESS PLAN	FINAL BUSINESS PLAN DUE

Modifications:

The instructor reserves the right to change this syllabus. Any changes to this syllabus, due dates, course requirements or grading requirements will be made as far in advance as possible. All students will be held responsible for completion of all course components. Check the course web site on blackboard periodically for updates and information

SUGGESTED READING/REFERENCE

Daily/Weekly/Monthly

The Wall Street Journal

Business Week

Periodicals

Entrepreneurship: Theory & Practice
(Formerly American Journal of Small Business [HD 2346.U5A75])

Inc (HD 2346.U5I55)

Journal of Business Venturing

Journal of Small Business Management (HD 69.S6S67)

Strategic Entrepreneurship Journal

References (Ask at reference desk for most recent issue or if you can't find an item you want.)

Almanac of Business & Industrial Financial Ratios
Troy, Leo (HF 5681.R25)

Annual Statement Studies
Robert Morris Associates (HF 5681.B2R6)

Barometer of Small Business
Accounting Corporation of America

Financial Studies of the Small Business (HD 2346.U5F55)

Industry Norms & Key Business Ratios
Dun & Bradstreet, Inc. (HF 5681.R25I5)

Simmons 1987 Study of Media & Markets (HF54I5.3.S54 1987)
Simmons Market Research Bureau

Small Business Bibliography
U.S. Small Business Administration (Z7164.C81U718)

Statistics of Income--Sole Proprietorship Returns
U.S. Treasury

U.S. Industrial Outlook

U.S. Dept. of Commerce (HC 106.5 A265)

Industry Studies, Surveys, Reports, and Statistics:

<http://www.libraries.uc.edu/business.html>

<http://guides.libraries.uc.edu/c.php?g=222117&p=1470465>