

Course: Entrepreneurship (BUS 353)
 Days and Times: T/Th 3:30pm-4:50pm
 Classroom: Online (at least until mid-October)

Semester: Fall 2020

Instructor's Name: Professor Chihmao Hsieh (*pronounced 'shay'*)
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 Office: B5.22
 Office Hours: T/Th: 1:30pm-3:30pm (appointment preferred)

Course background

Objectives: Entrepreneurship is the study of new venture creation and management and it could occur in a myriad of ways depending on the interactions of entrepreneurs and opportunities. This course provides an overview of issues of creating a business, ranging from opportunity recognition and evaluation to resource acquisitions and management. It is designed to appeal to individuals with strong desires to become entrepreneurs, to join start up companies, or to work in the venture capital industry. The course objectives are threefold: 1) to develop a scientific understanding of entrepreneurship, and the empirical evidence in support of theories; 2) to transform this scientific understanding to practice; and 3) to provide firsthand experience with dealing with uncertainty and managing the start-up process.

Extended Description (updated): This SUNY Korea course consists of three interlocking elements:

- ❶ *What you do.* In our program students set the framework for creating their own company in a multi-disciplinary team. They apply many if not most of the basic concepts of entrepreneurship in this practice. Teams are expected to collect data on their own, and begin to develop coordination and negotiation skills. At the end of the semester, teams will present in front of a jury.
- ❷ *What you write and present.* Students serve in teams to write a business proposal and craft the presentation document(s).
- ❸ *Lessons Learned / Assessment.* For this component of the course, individual students are expected to describe in detail their personal lessons learned during the semester, possibly linking theory to practice. Teammates also give each other teamwork grades that count towards the overall course grade.

Instructional Methods: Lectures and workshops led by the instructor. Students will also engage in extensive teamwork and give team presentations to the class. Any required materials will all be made available online.

	<i>Course learning objectives</i>				
	Communication skills	Critical thinking	Teamwork and Leadership	Global and Multicultural Issues	Integration of business areas
Course objectives					
(1) To learn how to describe elements of a business venture to others, especially investors		X			X
(2) To learn how to persuade others to support or invest in a business venture, especially investors		X	X		X
(3) To become familiar with the non-linear unstructured nature of new venture creation		X			X
(4) To experience the process of exchanging or partnering with external stakeholders who are also looking for a profit (esp. suppliers and partners)	X			X	X

Schedule for "Entrepreneurship" (Fall 2020)*

updated August 25th

Tues	25-Aug		Introduction to Entrepreneurship	
Thurs	27-Aug		Pitchfest (1-minute each), Q&A, & some roadblocks to generating an entrepreneurial mindset (activity)	Individual Homework #1a due on Wed 26-Aug: ideas and trends
Tues	1-Sep		Brainstorming exercise about trends (activity)	Individual Homework #1b due on Mon 31-Aug: combine trends
Thurs	3-Sep		Ideamarket and discussion (activity)	Individual Homework #1c due on Wed 02-Sept: submit A3's

Fri 4-Sep Last day to drop without a "W" on transcript.

Tues	8-Sep		Watching and discussing Shark Tank or Dragon's Den (activity)	Team deliverable: member list due on Sun 06-Sept
Thurs	10-Sep		Go/no-go pitches (activity)	Team Homework #1: .ppt for Go/no-go due on Wed 09-Sept
Tues	15-Sep		3:30-3:50pm Defining and (re)framing the problem 8:00-9:00pm Mini-expo with CS 416	Our teams will pitch to their teams!
Thurs	17-Sep		Creativity: Schemas and conceptual combination	
Tues	22-Sep		Features of the products and identifying the target market	
Thurs	24-Sep		Designing the product or service; marketing strategy	
Tues	29-Sep	no class		
Thurs	1-Oct	no class		
Tues	6-Oct		Storytelling and lies in entrepreneurship	
Thurs	8-Oct		Making a business phone call (ICA)	
Tues	13-Oct		Using Qualtrics; other resource gathering strategies	
Thurs	15-Oct		Discussing business models and revenue generation	Team Homework #2: Second PPT due on Mon 26-Oct
Tues	20-Oct		Personality and emotions in entrepreneurship	Team Homework #3: Business Proposal first draft due on Mon 26-Oct
Thurs	22-Oct		Making the best 30-second pitch (ICA)	

Business Proposal first draft due 26-Oct: adequate -0% mediocre draft -1% totally disappointing -2% unsubmitted 5% (penalty from total course grade)

Fri 23-Oct

Tues	27-Oct		Practice Pitches (ICA)	
Thurs	29-Oct		Education, training, and entrepreneurship	
Tues	3-Nov		Entrepreneurial teams and team failures	
Thurs	5-Nov		Understanding risk and uncertainty in entrep.	
Tues	10-Nov		Intellectual Property Rights	
Thurs	12-Nov		Negotiation exercise	
Tues	17-Nov		Learning about pivoting	Individual Homework #2 due on Wed 18-Nov
Thurs	19-Nov		Challenges to fostering entrepreneurship in Korea	draft PPT due on Fri 20-Nov (optional, ungraded)
Tues	24-Nov		Practice Pitches III (ICA) and Teams offer consulting to each other	Team Homework #4: Final PPT due on Wed 25-Nov (graded)
Thurs	26-Nov		Final Pitch	
Tues	1-Dec	no class		
Thurs	3-Dec	no class		
				Team Homework #5: Business Proposal Final Draft due on Wed 09-Dec
				Individual Homework #3: Lessons Learned due on Wed 09-Dec
				360° peer evaluations due on Fri 11-Dec

* This schedule is mostly reliable, but is subject/open to change.

Course Grading (these are weights!)

Individual grading (orange)

-Homework #1a, 1b, 1c	9%
-Homework #2	11%
-Homework #3: Lessons Learned	10%
-360-degree peer evaluations	10%

Team grading (yellow)

-Homework #1: PPT for Go/no-go	6%
-Homework #2: Second PPT	6%
-Homework #3: Business Proposal first draft	8%
-Homework #4: Final PPT	10%
-Final Pitch	12%
-Homework #5: Business Proposal Final Draft	18%

Deliverables: individual grading

Individual homeworks #1 and #2. There will be some simple individual homeworks during the semester. Homework #1 just sets the stage for our brainstorming and basic market validation. Homework #2 will be the most difficult.

Lessons Learned. Individual homework #3 is also an individual assignment. It should be a maximum of 2500 words, describing lessons learned during the semester. This document should contain three sections:

- A. What did you expect from the course before the beginning of the semester?
- B. How did your actual experience in the course match or differ from those expectations? You are welcomed to *briefly* describe your team's venture and its actual operation in this section.
- C. What do you perceive that you learned from the semester? For example, what did you learn about organizations and entrepreneurship teamwork? Also, what did you learn about yourself?

Please do not copy-and-paste sections of your Business Proposal. Please assume that the person reading your lessons learned paper has already read your business proposal (you are welcomed to cite page numbers in your business proposal, if you wish). You are also welcomed to link theory to practice. This document is graded based on completeness of detailed thought for each of the 3 sections.

360-degree Peer Evaluations. These will be administered via Qualtrics at the end of the semester. The tentative form can be found below. Be careful if you try to make ‘deals’ with fellow teammates. If you and a fellow teammate agree upfront to give each other perfect peer evaluation scores, you encounter some risk that your teammate will shirk or ‘free ride’ on your efforts, in which case the team-based portion of your grade is in jeopardy. Be careful what and when you promise, if at all!

Quantity of effort:

Please grade each yourself and your teammates from 0-100%, with respect to the amount of time and attention they provided in response to your team's presentation or final document creation needs. Do not use fractions or decimals.

	Score that you give this individual
Team member A	____%
Team member B	____%
Team member C	____%
Team member D (you)	____%
Team member E	____%

Quality of effort:

Please grade each yourself and your teammates from 0-100%, with respect to the amount of seriousness in effort and quality of results they provided in response to your presentation or final document creation needs. Do not use fractions or decimals.

	Score that you give this individual
Team member A	____%
Team member B	____%
Team member C	____%
Team member D (you)	____%
Team member E	____%

Professionalism:

Please grade each yourself and your teammates from 0-100%, with respect to the amount of professionalism as exemplified in behavior they provided in response to your team's presentation or final document creation needs. Do not use fractions or decimals.

	Score that you give this individual
Team member A	____%
Team member B	____%
Team member C	____%
Team member D (you)	____%
Team member E	____%

PPT's. PPT's will be graded based on their completeness. They need to cover basic elements of Sections 1-4 of the Business Proposal described below. The detail in the PPT's should match the time allocated for the respective pitch.

Pitches: For 2-3 sessions this semester, each team is expected to give pitches that range from 5-10 minutes. Q&A follows each team's pitch.

- What are these pitches for? Generally speaking, these 'pitches' are more like short presentations. Their primary goals are to *inform* the entire class about what/how your team is doing, and to get used to a 5 or 10-minute time frame. There are two secondary goals. One secondary goal is to *share knowledge*. Maybe your team has learned something that can help provide insight to other teams. Or maybe other teams have something to share with your team after they hear your presentation. The other secondary goal is to *learn how to respond to challenges*. If the audience hears your presentation and challenges your team's decision-making, your team will need to know how to respond adequately. Or, at the very least, explain why you are not able to respond adequately.
- What is in the pitch? The first part of the pitch should walk us through the consumer problem/pain/need/want, the solution that you've identified, and the business model. Your team can also talk about the marketing strategy or sales strategy, based on your hypothetical proposals or your actual operations/launch. The second part of the pitch could provide us with your progress update. What actions have your team taken? What failures have your team encountered? What successes? And if you wish, What has been learned so far, and How is it changing your original proposal? *It is up to you and your team exactly what fits in, and how to allocate your time. For example, maybe you only allocate 30 seconds to describe team progress.*
- In short, sell us your idea! But please let me remind: The audience is not naive or dumb, and will prefer substance and confidence... not blindness or empty flashiness.
- After each team's pitch, there will be a short Q&A session. Everybody in the audience is welcomed to ask questions or make comments to the team. Maybe these questions serve to get clarification, maybe some comments serve to challenge. If you get beat up by questions that you can't answer, you get beat up. You will have to learn how to handle the questions.
- Who from your team presents, is up to you.
- This semester, Fall 2020, we have an exciting change to our schedule. At 8pm on September 15th, we will be pitching our ideas to CSE 416 (Software Engineering). BUS 353 is a capstone course for SBU Business Management department, and CSE 416 is the computer science department's capstone course. This gives both courses an opportunity to hear pitches from a different major, share ideas and interests, and also maybe even open up networking opportunities for entrepreneurship.

Only the Final Pitch is graded.

Business Proposal. The Business Proposal is expected to describe a business venture encompassing a market size big enough to support the team’s hypothetical salaries. I expect the Business Proposal to reflect any of your team’s survey data collection efforts or organizational decisions and actions. Just because we call this a Business Proposal certainly does not mean that it is based strictly on thought or theorizing.

Business Proposal’s expected format and grading structure. The ability to write effective documents is important when pursuing a Business Venture, because you often must effectively describe and persuade when obtaining funding from others, or when selling your business venture to others (e.g. when you exit). *Importantly, the Business Proposal for this minor must be concrete and specific about your product, market, business model, and proposals.* Finally, the Business Proposal represents an informal contract upon which all your team members agree. Blind assertions must be avoided, or at least marked as such!

This business proposal represents your HYPOTHETICAL VISION of a potential venture in the REAL WORLD *if* you had the time and energy to make it happen.

When you collaborate to put the Business Proposal together, consider assigning responsibilities to minimize the costs of coordination and communication. To aid in collaboration, you may consider using MS Word’s tracking capability or Adobe’s document management capabilities.

The Business Proposal should be written in 11 or 12 pt Times New Roman, single-spaced, 2.54cm margins all around. *Please constrain this document to a strict maximum of 20 pages¹*, not including appendices, cover page or table of contents. The format found below is only suggested. However, you are welcomed to use whatever format you wish, as long as you address these following concepts and issues in your format.

1.0 Highlights

- 1.1 **The Problem** (What is the consumer or industrial pain or need that we’ve identified? Or perhaps there is a condition or incongruity that we’ve identified, and from that incongruity we can identify a problem?)
- 1.2 **Our Solution** (What are the candidate solutions to the problem? What is your team’s solution? In a few sentences, why is your solution superior?)
- 1.3 **Value Proposition or Business Model** (i.e. What is the structure of the revenue-generating mechanisms? For example, is it a one-time fee, or a subscription model? Do consumers pay after products or services are rendered, or before?)
- 1.4 **Keys to Success** (What are the most important decisions or actions that must be addressed or implemented, respectively, in order to maximize profit?)

2.0 Line of Products or Services

- 2.1 **Features** of each product or service offered (just description) – Different from performance measures or objectives (i.e. comfort or education(al), respectively)
- 2.2 **Price points** (i.e. What are the specific prices of the different lines of your product or service?)

3.0 Market and industry analysis (i.e. Can value be generated or captured at all?)

- 3.1 **Target market** (How are we segmenting the market? Which market are we selecting? We should still be focusing as much as possible on consumer problems, pains, or needs here. If you cite a survey, we expect to see some data from that survey in an appendix, especially if it is your own survey.)
- 3.2 **Industry analysis** (Generally speaking, who are the suppliers and competitors? Don’t describe partners yet! What are the substitute products and services? How likely will suppliers be able to capture the value that we’re attempting to capture?)

¹ This is a very rigid limit. If you submit a Business Proposal where the Main Body is longer than 20 pages, I will either assess a penalty or ask your team to cut it down. I reserve the right not to read the Appendix. Business Proposals not only have to be descriptive and persuasive, they should be efficiently worded!

- What is the extent of the expected rivalry from competitors, and those offering substitute products or services?)
- 3.3 **Concluding statement** (e.g. “Given our basic target market and the industry analysis, we perceive a Korean/Asian/global market of ____₩ XX in revenue per month, from sale of our kind of product or service.)
- 4.0 **Our strategy** (What strategy will we take or what resources do/will we have to capture that value?)
- 4.1 **Product or service design considerations** (Why did we choose the specific tangible features that we described above in 2.1? Why did we choose the specific price points? What was the rationale?)
- 4.2 **Partner/supplier/vendor agreements** (Virtually all business ventures will require agreements with outside parties: Are these agreements based on formal contracts or informal handshakes?)
- 4.3 **Marketing and sales strategy** (i.e. getting consumers to buy: *pre-sale*)
- 4.4 **Distribution strategy** (i.e. delivering products or services to consumers via different channels: *post-sale*; of course, the notion of pre/post-sale depends on the business model)
- 4.5 **Service strategy** (Will our team offer service or support after consumers have used/enjoyed the product or service? If ‘no,’ can omit this sub-section.)
- 4.6 (optional) **Source of competitive edge** (*In the long-run*, how might our team be able to ultimately generate a sustainable competitive advantage?)
- 5.0 **Financing plan** (you should plan for this section to be at least 3-4 pages total)
- 5.1 **Operational/technological risks** (Please describe the risks associated with your venture idea. Tell me the difficulties that you foresee in designing/developing your product, in terms of the supply and availability of resources required. Tell me the risks associated with getting your target market wrong.)
- 5.2 **Financing source** (You must describe 1-2 possible sources of financing, from the following set of options: government funding, Kickstarter/Indiegogo/crowdfunding, friends & family.)
- 5.2.1 **If you choose ‘government funding’**: list the government funding sources and also tell me the relevant deadlines if you were to apply for that funding. Also please show me the kind of information that the funding source expects you to submit. In other words, I want your team to pretend in this section that you are about to apply for the funding.
- 5.2.2 **If you choose ‘crowdfunding’**: please create a mock-up of your crowdfunding campaign. Please visit Kickstarter/Indiegogo and take a look at what some campaigns look like. Then, for this section, design a campaign, including graphics (i.e. pictures that you used in your business plan). You will need to market the idea in your description and also design the ‘perks’ system in your campaign.
- 5.2.3 **If you choose ‘friends and family’**: please list your friends and family (first name initials only, to help you keep track!) that are willing to contribute to financing this venture idea. You will need to indicate the percentage ownership that they would theoretically need to make their investment. In this section, I also need you to interview each of these friends and family members to find out what are their concerns and conditions for investment.
- 6.0 **Financial Plan**
- 6.1 Start-up Funding requirements
- 6.2 Break-even analysis
- 6.3 Projected Cash Flow (monthly, for 2-3 years)

7.0 Contingency Plan (What are the major *changes in the external environment* that may arise in the future that might prevent your team from making a profit, if funded? What will you do if those difficulties arise?)

8.0 Expansion Plan (What steps should be considered or taken in order to replicate the Business Model outside of our current target (i.e. geographic) market? Should the same business model be used? Can this business venture be franchised? If so, what are the considerations that must be made?)

9.0 Bibliography

10.0 Appendices²

Notes:

- Please do not forget that the Business Proposal is a Living Document! It is *supposed* to change over time. It is up to your team how you reach consensus to finalize changes in your Business Proposal. Tracking in Word is useful for this purpose.

Course policies

Team and Team members – Generally speaking, each team member has two roles. ❶ You must contribute to the team’s efforts. That means, for instance, deciding among yourselves how to distribute responsibilities of writing the Business Proposal and crafting the presentations. You should also contribute to the crafting of any other team documents, and/or contributing to the actual operations during the startup process (i.e. making phonecalls, collecting survey data). ❷ You are expected to inform the instructor when individual or team (seemingly irremediable) hardships arise, via email, or face-to-face conversation. You are also expected to email if questions arise. (However, I reserve the right to point you back to this syllabus, if the answers to your question can be found there, or in the schedule.)

Instructor – My role as instructor is to help you formulate valuable problems, and search for valuable solutions. Insofar that decision-making is made up of considering decisions, selecting decisions to make, considering choices, and selecting choices, I will only help with considering decisions and choices. Advice may correspond to good decisions or choices, or turn out to be bad decisions or choices.

Critically thinking for yourself and being an independent responsible decision-maker is important to the fundamental purpose of this course. I will also administer the 360-degree peer evaluations at the end of the semester.

² You are welcomed to include here a balance sheet and income statement, plotted out by quarter (up to 3 years).