

## Course 6221: Entrepreneurship

Tavas Class, Period 4 - May-June 2019

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**Class Hours: see schedule below, Room: Jacobs Building, Room 207**

**Meeting by appointment or [dt396@drexel.edu](mailto:dt396@drexel.edu)**

### *Course Overview and Procedures*

Entrepreneurship has been called the “engine of the economy”, and defined as “a way of managing opportunities over time - an approach to management that entails the continuous identification and pursuit of opportunity, the marshalling and organization of resources to address evolving opportunities, and the ongoing reassessment of needs as the context changes over time” (HBS). It is about more than starting a business. It is a particular type of managerial behavior, crucial to all managers in all settings.

Entrepreneurs and their firms are celebrated by the media and their communities, but what does it take to start a new business? And/or a new venture within an established firm? What do we know about the people who create entrepreneurial organizations? And what elements of the process contribute to new venture success?

This is a highly experiential course where you will be able to apply and integrate your entire business education (accounting, finance, economics, marketing, strategy, and organizational behavior) and experience to a practical project. Taking a real world, hands-on approach is the most effective way to understand the entrepreneurial process. Working in small teams, you will develop a business plan for launching a new venture. You will pitch business concepts, research the market for your product or service, prepare marketing and launch plans, and develop financial projections. You need to be able to interact with the business community and potential customers, work effectively in teams, and participate actively in class discussions and exercises.

### *Course Objectives*

The purpose of this course is to explore the many dimensions of new venture creation and growth and to foster innovation and new business formations in independent and corporate settings. We will be concerned with content and process questions as well as with formulation and implementation issues that relate to conceptualizing, developing and managing successful new ventures. You are expected to apply the skills learned in your functional area courses to the task of identifying and evaluating new venture opportunities. Working in teams you will learn to identify, conceptualize, evaluate, plan, finance, launch, manage, and harvest new ventures.

The objectives of the course are to sharpen your ability to:

- § Determine if you could (or should) become involved in business/venture start-up;

- \$ Identify and analyze new venture opportunities in either an independent or corporate setting with fellow classmates from the viewpoints of the entrepreneur and potential stakeholders;
- \$ Learn to assess the risks, challenges and rewards in the venturing process so they can be managed through advance planning;
- \$ Learn to transform ideas into action: Prepare a cohesive, concise and effective business plan for a new venture.

After completing the course, you will be able to develop business plans for diverse reasons, such as new product introductions, feasibility studies and new market analyses.

The pedagogical objectives of the course are:

- (1) To acquire the knowledge and spirit for venturing;
- (2) To sharpen your ability to spot and evaluate opportunities for a new venture;
- (3) To think creatively and to solve problems in highly unstructured situations;
- (4) To examine the totality of a business proposal rather than concentrate only on its functional aspects;
- (5) To enjoy the advantage of peer-group review and feedback during the planning phases of a venture.

You will be challenged to shift from being a receiver of ideas, facts, concepts and techniques, to a style of generating ideas, identifying problems, analyzing and evaluating alternatives, and formulating workable action plans, thus putting theoretical knowledge into practice.

### ***Requirements and Evaluation***

Your ability to be successful in your career depends on other people evaluation of you and your performance both as an individual and as a team player. Accordingly, to be successful in this course you would need to be well respected by your peers and team members. Your final course grade will come from a combination of individual and team performance.

a. Individual new venture proposal & presentation	20%
b. Group new venture proposal & presentation	50%
c. Participation	30%

### ***Individual new venture proposal and presentation***

Each student will submit up to 5 page summary of their most promising concept for a new venture

### ***Team new venture proposal and presentation***

The entrepreneurship process requires working in teams, as such course participants are required to form teams of no more than four students whose talents, skills and knowledge (in the ideal case) are complementary. Teams will be assigned to evaluate various cases and to present their conclusions. To promote competitiveness we will conduct a case analysis competition.

The team will be given a case to analyze that will require incorporating all three modules in the class.

This will require extensive team work inside and outside of class is an essential part of this course. Other factors crucial to your team's functioning are the management and coordination of group effort by appropriate means (telephone, e-mail, sub-group meetings, etc).

***Class participation.*** Much of the learning in the class will come as you consider and discuss with others the ideas, concepts, and theories presented in the class and online. Your preparation of the readings and cases for each class will contribute substantially to what you and your classmates learn. In order to encourage you to make good contributions to the discussion, your participation will contribute 15% to your grade. Three factors determine good class participation. First, given thorough and careful preparation, you should be able to identify the important managerial issues as related to either the case or readings (i.e., thoughtfully, apply assigned reading, past and present, to the current class discussion). Second, you should be able to use that analysis to define a concise and coherent position on and approach to the managerial issue under discussion. Third, you should be able to constructively analyze the positions your classmates take (demonstrating your listening skills as well as your own analytical skills). Of course, you should also incorporate your own experience and lessons from your work experience as they relate to the concepts in the class.

After each class session, I will evaluate your class participation. I will grade your participation on the following 4-point scale:

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- (0) Not in class
- (1) In class but participation is minimal
- (2) Demonstrates good understanding of case issues
- (4) Significant contribution to class

A significant contribution to class discussion may be a comment that ties relevant current events or personal experience to the discussion and moves the discussion forward (not simply a description of the event).

In the online section, I will evaluate:

- a. Quality and quantity of your response to others.
- b. Quality of your input.
- c. Make sure your input is timely.

## WEEKLY SCHEDULE

### Course Calendar:

	Date	Topic	Readings/Activity		Case Questions	General questions
1	31/5 (8-11)	The entrepreneurial process	Case Articles	R&R (HBS 9-386-019)  Bhide. 1996. The question every Entrepreneur must answer, Harvard Business Review (HBR), Nov-Dec, pp. 120-130  Nalebuff & Ayres, 2003. Good ideas and how to generate them, Harvard Business School Press, pp. 13-42.	1. Why was the TV Guide Trivia Game an entrepreneurial opportunity for Reiss? 2. What were the risks and rewards faced by Bob Reiss and other participants in the enterprise?	1. What are the factors influencing some people (and not others) to identify opportunities. 2. How are some entrepreneurial opportunities identified? Give examples.
2	7/6 (8-11)	Generating & Identifying ideas	Case Articles	Vintage Directions (HBS 9-393-043)  Kim & Mauborgne. 1999. Creating new market space. HBR, Jan-Feb, pp. 89-93.	1. How big could the Vintage directions opportunity be? What would be the maximum upside in five years? 2. What has the team done right? What have they done wrong to date?	
3	11/6 (15-21)	Creating and capturing value	Case Articles  Assignment	FreshTech (HBS-9-511-059)  Kim & Mauborgne. 1999. Creating new market space. HBR, Jan-Feb, pp. 89-93.  Steventson & Spence, 2009. Identifying and exploiting the right entrepreneurial opportunity for you  Eisenmann, Ries, & Dillard, 2013. Hypothesis-Driven Entrepreneurship: The lean startup  <b>Individual 60second elevator pitch</b>	1. How can Fresh Tech best approach the issues of industry adoption of their new packaging? 2. Who should be the target audience for Fresh Tech technology? (Farmers? Retailers? Brokers?) 3. Should Fresh tech attempt to growers to change when they pick fruit? 4. How do you believe FreshTech's social mission will affect its options for growth?	1. What are the differences between ideas and opportunities? 2. What are the criteria you would use to assess the viability of an entrepreneurial opportunity?
4	14/6 (8-11)	Strategy	Assignment Case Articles	Judo in action (HBS 9-703-454)  Yoffie & Kwak. 2001. An introduction to Judo Strategy, Judo Strategy, Ch. 1, HBS Press, pp. 1-16  Bhide. 1994. How entrepreneurs craft strategies that work? HBR, Mar-Apr: 150-161	How can new ventures compete against established firms? <b>Case questions:</b> 1. In each of these four cases, does the entrant or incumbent have a competitive advantage in the market? 2. What kept the incumbent from initial aggressive reaction to Red Bull's entry? 3. In the case of Freeserve vs. AOL, which consumers do you think are most readily switching to Freeserve? How can AOL retain these consumers?	What factors entrepreneurs should take into account when forming a strategy to compete against established firms?

	Date	Topic	Readings/Activity		Case Questions	General questions
				Lieberman & Montgomery. 1988. First-mover advantages, Strategic Management Journal, 9: 41-58.	4. How can your venture team compete when incumbents have more resources?	
5	18/6 (15-18)	Refining Business model  <b>Teamwork</b>	Case  Articles	Zipcar (HBS 9-803-096)  A note on valuation of venture capital deals (case E-95)  Clayton M. Christensen and Mark W. Johnson, "What Are Business Models, and How Are They Built," HBS Case No. 610-019.  Why business models matter (HBR, R0205f)  Team sharing theme venture proposal	<b>Case questions:</b> 1. Evaluate this potential venture and the progress that Chase has made. 2. What are Zipcar's business and revenue models? How and why have the business and revenue models change what do the data from actual operations in Sep say about how the business model is playing out in practice? 3. What is the strongest argument Chase could make to a potential investor about the attractiveness of the venture? What, specifically, should her elevator pitch be at the Springboard forum?	<b>General questions:</b> How business model and strategy work together?
6	21/6 (8-12)			Team new venture presentation  Final lecture		