

## MGMT 473

### INITIATION AND MANAGEMENT OF NEW BUSINESS ENTERPRESHIP

Fall II

T-Th 8:30am-11:20am

Room 112

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Office Hours: All times by appointment.

Prerequisite: MGMT 472

Textbook: **Launching New Ventures: An Entrepreneurial Approach (6th ed.)**, Kathleen R. Allen (South-Western Cengage Learning).

#### Suggested Readings:

Blank, Steve (2013) The Four Steps to Epiphany Successful Strategies for Products that Win (5<sup>th</sup> Edition) K&S Ranch Publishing LLC

Mullins, J and Komisar, R (2009) Getting to Plan B, Boston: Harvard Business Press

Osterwalder, A. and Pigneur, Y (2010) Business Model Generation, Hoboken: John Wiley and Sons, Inc.

Reis (2011) The Lean Startup. New York: Crown Business

#### **Purpose and Objectives of the Course**

The purpose of MGMT 473 is to present entrepreneurship in both theoretical and practical terms. In the belief that “there is nothing more practical than a good theory,” we will examine entrepreneurship by focusing on how opportunities are discovered, the conditions of markets and industries that must be weighed in choosing to enter them, and the resources needed by the entrepreneur to establish a new venture and build it into a successful enterprise. ***The venture must have some advantage over its rivals in the eyes of at least some potential customers, and that advantage rests on making use of the appropriate resources in a way that meets those customers’ needs.***

We also will apply these theoretical perspectives to actual examples in order to develop your practical understanding of entrepreneurship. You will need to use knowledge and techniques that you learned in other courses, much as a startup entrepreneur must know something about almost everything involved in his business.

***Our ultimate objective in this course is to apply that practical understanding in a Business Plan for a venture that your team will devise. Your grade is a short-term measure of success in MGMT 473, but the course’s real test comes in later years: Will you be able to start a commercial venture if your ambition points in that direction?***

What we cover in this course is an introduction to the knowledge and techniques that experience has proved to be necessary for entrepreneurship. ***My aim is to help you to become better informed and***

*more capable as a potential entrepreneur. Together we can accomplish a great deal if you so desire.* Understand, though, that I cannot carry you and can do only so much to push you: your desire, effort, and intelligence are indispensable ingredients of success both in the short run (your grade in this course) and the long run (your entrepreneurial success in life).

The graded work in MGMT 473 consists of two exams, and the Business Plan Presentation. The following sections explain those components and their evaluation.

### **Class Sessions and Your Preparation for Them**

We will use a variety of methods to achieve the objectives of MGMT 473. Most class sessions will involve a combination of lecture and discussion, guest lecturers that are entrepreneurs, and guest lecturers that will assist your research and teamwork capabilities. Be prepared *as a minimum* to answer any questions stated at the end of the chapters. Better preparation will include thinking about other issues or problems or the implications of your answers to the stated questions. Reflect on how the profile illustrates the chapter's key concepts or principles, and be ready to discuss their application to the profile and their broader implications for entrepreneurship.

When a chapter of the textbook is assigned, you are expected to *arrive at that day's class prepared to answer the "Issues to Consider" questions printed at the end of the chapter.* Lectures will **not** summarize all the important material in a chapter. Instead, I will speak about the subject, emphasize some key points, specify where research or my thinking differ from the textbook, and try to summarize the subject and its relation to others that are important to entrepreneurship. You should use class sessions to ask questions to clarify your understanding of the topics covered in each chapter, and to go beyond the textbook's coverage.

When the class is handed over to guest lecturers remember the following: **these speakers have been chosen for their experience and ability to shed additional light on issues that are important to establishing and running a business. You should come armed with questions about their subject and prepared to participate as actively as the speaker wishes.** (It may be necessary to modify our course schedule to accommodate the availability of guest speakers.)

### **Evaluating Your Attendance and Contributions to Discussion**

Each student is expected to attend every class. Here's why: **Your active and informed participation is critical to your success both in class and in real life.** Our chapter discussions can be very interesting and rewarding if you, the students, make them so. Even when a lecture is the day's principal activity, your preparation, attention, and participation will be vital to your learning. Reviewing notes borrowed from a classmate, or attending without preparing the day's assignment, simply are not substitutes for your own presence and effort.

This course will operate on a "cold-call" system. **That is, anyone present may be called on at any moment and is expected to contribute productively.** Of course I welcome volunteers and depend on them to keep the discussion flowing.

Your contribution will be evaluated regularly on the basis of both quality and quantity, with an emphasis on its **quality**. Discussions of chapters and lecture material are the most important setting for your contribution. Expect your ideas to be challenged by me and by classmates, and be prepared to defend them. Listen carefully to classmates' comments and engage them in discussion. Not every comment is a valued contribution, and merely speaking is not enough.

**The most value contributions in our discussion in class are those that add insight rather than merely state facts.** It is important to relate facts to their facts or to reasonable assumptions, and to see their implications. Your analysis should be thorough, and you should be able to support your comments. Answers to the printed questions that accompany the case are important, but so are the answers to the instructor's questions or to other issues raised during the class discussion.

**Regular, dependable, class participation performance** is what I'm looking for. Regular, dependable performance is far more reliable than any effort to make a big impression late in the semester.

**All unexcused absences after one will result in a deduction of 3 points from your grade.** (Absences are excused for medical or other weighty reasons i.e. interviews, family emergencies, Submit written documentation of your reason for being absent, such as a physician's statement that you were unable to attend class.) Attendance is recorded on the instructor's seating chart, usually at the beginning of each day's class. If you arrive after the scheduled starting time, it is your responsibility to ensure at the end of that day's class that your presence was recorded. A second absence can be deleted if you write a report on an entrepreneur that you have interviewed.

Conduct that unprofessional or otherwise detracts from the educational goals of this course may be penalized at the discretion of the instructor by reducing the offender's grade in class contribution. Further disciplinary measures may be imposed consistent with university policy.

### Business Plan

You will form a team of four or five students to carry out this project. Important written assignments and oral reports related to this project will be due throughout the semester. Grades on the project's components are weighted as follows as proportions of the course grade:

Business Plan	50%
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\* weight includes 20 percent to oral presentation and 30 percent to written report

You and your teammates will have opportunities to exchange peer evaluations during the life of the project. By giving and receiving honest feedback throughout the semester, you and your teammates can strengthen the team's performance and guard against surprises and disappointment in the evaluation of each person's contributions. **This will be done orally in the presence of all teammates.**

Each project will receive an overall grade, after which I will determine individual grades. Comprehensive (i.e. covering the entire project) peer evaluations play a potentially major part in my grading of each student's performance. ***These final evaluations are provided to me,*** and I will weigh

them as well as my own observations of students' performance in arriving at individuals' grades. **Work diligently; communicate closely and regularly with your teammates; carry out your responsibilities as though your grade depended on it—because it does!**

#### **Allocation of Individual Grades**

Mid Term Exam	25%
Final Examination	25%
Individual Grade on Business Plan	<u>50%</u>
	100%

#### **Grading Scales and Standards**

MGMT 473 is a demanding course, just as entrepreneurship is a demanding career. Standards are high and evaluation is tougher than in many courses. The average grade on tests typically falls between 78 and 82. Team grades on Business Plans usually averages in the mid-80s, but some individuals fall much lower. None of these averages is predetermined; they simply reflect experience to date.

The exams have 25 multiple choice questions    **READ THE FIRST THREE PAGES OF EACH CHAPTER & STUDY THE BOLD WORDS OF EACH CHAPTER**

Letter grades, numerical grades, and standards applied in this course are as follows:

- A 90.0 and up (Excellent, far exceeding standards of acceptable work.)
- B+ 87.0 to 89.9 (Very good, significantly exceeding standards of acceptable work.)
- B 80.0 to 86.9 (Good, exceeding standards of acceptable work.)
- C+ 77.0 to 79.9 (Fair, slightly surpassing standards of acceptable work.)
- C 70.0 to 76.9 (Meets standards of acceptable work.)
- D+ 67.0 to 69.9 (Marginal, somewhat below standards of acceptable work.)
- D 60.0 to 66.9 (Poor, clearly below standards of acceptable work.)
- F 59.9 or less (Failing, significantly below standards of acceptable work.)

Please do not expect to be “rounded up” because your grade is close to a higher one or because you “need” the higher grade. In return I won’t “round down” if your grade is close to a lower one or reduce your grade if I think you “don’t need” the higher one.

MGMT 473—Fall 2016  
COURSE OUTLINE & SCHEDULE OF ASSIGNMENTS  
(Subject to change as necessary)

**All written assignments are to be typed (double-spaced unless otherwise described)** and are due at the end of the class session for which they are assigned. Assignments that are not typed will be given back, and I will ask you to “do over”.

Date \_\_\_\_\_ Topic and Assignment

10/18 Introduction to the course and its learning components; Explanation of the Business Plan Competition component of the course; Introduction to The Proving Ground Competition; student introductions, divide into teams and idea exchange, **Turn in Team #, names, email addresses and cell phone numbers**

10/20 “THE REAL DEALS”

10/25 Chap 9, Chap 10, Chap 11

10/27 Team discussions with Stevenson---Review Page 216:

- The Business
- Founding Team
- Industry/Market Analysis
- Product/Service Development Plan
- Operations Plan
- Organization Plan
- Marketing Plan
- Financial Plan

EXECUTIVE SUMMARY

11/1 Chapter 12, Chapter 13, Chapter 14

11/3 Team discussions with Stevenson---Review page 75---Review the Business Model---review page 85---Feasibility Analysis

11/8 Election Day No Class

11/10 Exam Chapters 9-14

11/15 Chapter 15, Chapter 16

11/17 Chapter 17, Chapter 18

11/22 Team discussions with Stevenson

- Growth Plan
- Contingency Plan and Harvest Strategy
- Timeline to Launch
- EXECUTIVE SUMMARY

11/29 Exam Chapters 15-18

Business Plan Preparation Day-Your team has this class period to use in finalizing your Business Plan and working on your X minute presentation Stevenson available for last minute questions

12/1 Business Plan Presentations Each team will present a X number of minutes presentation

## MID-TERM AND FINAL EXAMINATIONS

The exams will include “objective” (multiple choice, true/false) items to test your learning of vocabulary, facts, and concepts. **(You must take the exams on the scheduled date. Any makeup of an exam is subject to the regulations for Deferred Examinations published in the Undergraduate Studies Bulletin.)**

### T-Th Final.....TBA

Your team’s graded Business Plan will be available. Send me an e-mail if you want the Business Plan grade, and Final Exam grade after your Course Grade has been posted.

Your course grade will be available via My.SC.Edu. **Please do not ask me for your grade. (I WILL GIVE IT TO YOU OVER THE PHONE OR VIA EMAIL. HOWEVER I WILL NOT DISCUSS IT WITH YOU OVER THE PHONE OR VIA EMAIL. WE MUST MEET IN PERSON TO DISCUSS THE GRADE**

YOU HAVE 10 DAYS TO DISPUTE YOUR GRADE

Thanks in advance for your cooperation.