

MGMT 777

INITIATION AND MANAGEMENT OF NEW BUSINESS ENTERPRISE

Summer 2017
Thursdays & 2 Saturdays

Professor: Joel Stevenson
Office: Room 410K
Office Hours: All times by appointment.

Telephone-777-5972
joel.stevenson@moore.sc.edu

Textbook: **Launching New Ventures: An Entrepreneurial Approach (6th ed.)**, Kathleen R. Allen (Boston: Houghton Mifflin Company, 2006).

Purpose and Objectives of the Course

The purpose of MGMT 777 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 proposition for a venture that you will devise. Your grade is a short-term measure of success in MGMT 777, 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. **Our 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 we 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 777 consists of your contribution to class discussion using assigned reading, a final exam, and the business proposition. 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 777. Most class sessions will involve a combination of lecture and discussion, entrepreneur videos, and guest lecturers that are entrepreneurs. Be prepared *as a minimum* to answer any questions stated at the end of the chapter. Better preparation will include thinking about other issues or problems or the implications of your answers to the stated questions

When a chapter of the textbook is assigned, you are expected to *arrive at that day's class prepared to answer questions*. 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 differs 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 given 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.** Our discussions can be very interesting and rewarding if 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 most important. 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.

It is important to relate facts to other 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 text are important, but so are answers to the instructor's questions or to other issues raised during the class discussion.

Business Proposition

The term project will require you to develop and carry out a Business Proposition. When completed, the proposition will assess the viability of a business concept (which your team will have developed) by examining its industry, target market, management needs, financial requirements, and potential returns. I'm expecting a document that will not exceed six pages, double spaced typed pages. On the fifth page your team will have prepared an excel spread sheet with financial information on it. The financial information should include a yearly P&L projection for the first three years of the venture; and a 3 year cash flow position on a quarterly basis. The backside of the 5th page should have all the assumption used for the excel spread sheet. The typed document should include a separate cover page with each group member's name and contact information on it.

On Saturday, July 16th you will have time to divide into teams of four to five. For those of you that are in remote locations with less than four or five I will put you on a team if you need me to. . By Thursday, July 21st the team must agree on the idea for a business venture. Please e-mail me at joel.stevenson@moore.sc.edu the idea, the names of the team members, their e-mail addresses, and phone numbers. Remember...the typed two pages should explain: what you sell, who will buy it, why they will buy it, and how. Sources of competitive advantage linked to the founder's team, cost structure, or other particular strategies, tactics, barriers, alliances, etc. are welcome.

Grading

Business Proposition: 50%

*Weight includes 15 % to oral presentation, 25% to written report, 10% peer evals

You and your teammates will have opportunities to exchange peer evaluations during the life of the project. By giving 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 contribution. **If you do not give your teammates honest feedback "Shame on You". This will affect the team's overall grade.**

Each project will receive an overall grade, and I will determine individual grades. Comprehensive (i.e. covering the entire project) peer evaluations play a major part in the grading of each student's performance. Work diligently, communicate closely, and regularly with your teammates, carry out your responsibilities as though your grade depended on...because it does!!

The completed written Business Proposition is due Saturday, August 13th and will be presented orally on August 13th.

***MONEY IS ON THE LINE.....\$1000.....\$500/team First place; \$300/team Second place; \$200/team Third place

Final Exam: 50%

DISABILITY POLICY

If you have a documented disability or other special needs and wish to discuss appropriate academic accommodations, please contact me as soon as possible. You will be referred to the Office of Student Disability Services at <https://www.sa.sc.edu/sds/>.

Technology and minimal technology skills required statement

Students are expected to have basic computer skills including using the Internet, specifically, the Web. They are expected to log into the course site at least once a day. Students should be able to interact with the course site and resources in Blackboard (posting to Blackboard discussion board, submitting assignments, etc). Students will be expected to create wikis in Blackboard and prepare reports using a word processor.

The minimal technical skills required include the ability to:

- **organize and save electronic files**
- **find and use web resources (e.g. external resources for the wikis)**
- **use email and attach files, • check email and Blackboard daily, and • download and upload documents via email and Blackboard.**
- **Create a recorded presentation in MS PowerPoint**

University of South Carolina Honor Code

It is the responsibility of every student at the University of South Carolina Columbia to adhere steadfastly to truthfulness and to avoid dishonesty, fraud, or deceit of any type in connection with any academic program. Any student who violates this Honor Code or who knowingly assists another to violate this Honor Code shall be subject to discipline.

The Honor Code is intended to prohibit all forms of academic dishonesty and should be interpreted broadly to carry out that purpose. The following examples illustrate conduct that violates this Honor Code, but this list is not intended to be an exhaustive compilation of conduct prohibited by the Honor Code:

- Giving or receiving unauthorized assistance, or attempting to give or receive such assistance, in connection with the performance of any academic work.
- Unauthorized use of materials or information of any type or the unauthorized use of any electronic or mechanical device in connection with the completion of any academic work.

- Access to the contents of any test or examination or the purchase, sale, or theft of any test or examination prior to its administration.
- Use of another person's work or ideas without proper acknowledgement of source.
- Intentional misrepresentation by word or action of any situation of fact, or intentional omission of material fact, so as to mislead any person in connection with any academic work (including, without limitation, the scheduling, completion, performance, or submission of any such work).
- Offering or giving any favor or thing of value for the purpose of influencing improperly a grade or other evaluation of a student in an academic program.
- Conduct intended to interfere with an instructor's ability to evaluate accurately a student's competency or performance in an academic program.

**Whenever a student is uncertain as to whether conduct would violate this Honor Code, it is the responsibility of the student to seek clarification from the appropriate faculty member or instructor of record prior to engage in such conduct.

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.

Email me if you want a grade breakdown. If you want to dispute your grade you must do this 10 days after you received your grade either face to face or on face time

