

COURSE INFORMATION
ENTR 7336 – ENTREPRENEURSHIP
TUESDAYS 6pm – 9pm ; Room – MH112
FALL 2013

INSTRUCTOR

Keith Rassin
713-545-4531
keithrassin@yahoo.com

READING MATERIALS

- Blackboard postings and class handouts
- Articles and Case Studies as assigned (see schedule below)
 - Purchase course materials at <https://cb.hbsp.harvard.edu/cbmp/access/20427776>
- Helpful resources:
 - Entrepreneur Magazine (www.entrepreneur.com)
 - The Kauffman Foundation (www.kauffman.org)
 - Past teams have found SurveyMonkey to be helpful in gathering primary data for their projects. The basic service is free and provides most of the features you'll need. Visit SurveyMonkey at <http://www.surveymonkey.com/>
- Some suggested reading
 - Komisar, Randy, *The Monk and the Riddle*, HBS Press

COURSE OBJECTIVES

The main focus of this course will be to expose students to the process of starting and growing a business from idea to business plan into a company. Discussions will focus on the process that entrepreneurs follow and the decisions they face including the following.

- Understanding the business process.
- How to identify and create business opportunities.
- How to analyze and improve a business model.
- How to identify and develop the resources required for a new venture.

INSTRUCTIONAL PHILOSOPHY

- Learn by doing.
- I anticipate free discussion with lots of questions. If you don't understand something said in class, or want more information on how it might apply to your personal situation, speak up.
- Guests are welcome, and everybody is invited to "put their two cents in."

COURSE SCHEDULE

Date	Topic	Required Reading	Assignment Due
8/27	Intro & Course Overview	None	• None
9/3	Creativity & Innovation	The Entrepreneurs at Twitter (Case Study)	• Slide for \$5 Challenge
9/10	From Idea to Opportunity	How to Write a Great Business Plan (Article)	• Creativity & Innovation Challenge
9/17	Business Model Development	Room for Dessert (Case Study)	• Case Study Q&A
9/24	Market Research	Joint Juice (Case Study)	• Case Study Q&A • OAP Initial Positioning Statements
10/1	Market Research Continued	None	• None
10/8	Business Model Analysis	ProfitLogic (Case Study) How to Pitch a Brilliant Idea (Article)	• Market Research Report • Case Study Q&A
10/15	Guest Speaker	None	• None
10/22	OAP Project Due	Finale (Case Study)	• OAP Write Up • OAP Elevator Pitch
10/29	Legal & Financial Aspects of Entrepreneurship	Small Company Finance: What the Books Don't Say (Article) How much Money does your New Venture Need? (Article)	• None
11/5	Building a Startup Team	Smartix (Case Study)	• Case Study Q&A
11/12	Team Meetings with Professor	None	• Assignment Discussion Points
11/19	Achieving the Entrepreneurial Ideal	Rubbish Boys (Case Study)	• None
11/26	No class: Thanksgiving	None	• Case Study Q&A
12/3	OEP Presentations	None	• OEP Write Ups • OEP Presentations

GRADING

Your course grade will have the following components:

Assignment	Format	Due Dates	Points
Creativity & Innovation Challenge	Individual	9/10	50
Market Research Report	Group	10/8	100
Opportunity Assessment Project	Group	10/22	100
Opportunity Execution Project	Group	12/3	200
Attendance / Participation	Individual	various	100

At the end of the semester, these grades will be totaled. Course grades will be assigned according to point totals.

RULES AND EXPECTATIONS

- In order to promote class discussion and facilitate participation without distractions, please do not use laptops in class. Laptops may be used only during your presentations.
- CELL PHONES AND PAGERS must be on mute during class. If you must take or return an emergency call, please go out in the hall to do so.
- Attend class unless prevented by illness or pressing matters (student must notify instructor via email of any expected absences), and come on time. You will be counted absent if you arrive in class more than 15 minutes late or leave more than 15 minutes early.
- The University of Houston Academic Honesty Policy is strictly enforced by the C. T. Bauer College of Business. No violations of this policy will be tolerated in this course. A discussion of the policy is included in the University of Houston Student Handbook, <http://www.uh.edu/dos/hdbk/acad/achonpol.html>. Students are expected to be familiar with this policy.
- The C. T. Bauer College of Business would like to help students who have disabilities achieve their highest potential. To this end, in order to receive academic accommodations, students must register with the Center for Students with Disabilities (CSD) (telephone 713-743-5400), and present approved accommodation documentation to their instructors in a timely manner.
- All work is due when scheduled.

Opportunity Assessment and Execution Projects

Assignment

Opportunity Analysis Project (OAP) - Due 10/22

You will learn how to tell the difference between a good idea in a dorm or a lab and a great scalable business opportunity. You will identify and define a market opportunity and pitch the opportunity in a 1 minute elevator pitch to your classmates.

Opportunity Execution Project (OEP) - Due 12/3

You will explore how to actually assemble a company – thinking through how your team would sell, create demand, attract a team, and fund the product. Then you will pitch the opportunity in 15 minutes to your classmates.

Approach

Below are five recommended steps in the process of analyzing an opportunity:

1. **Identify potential opportunities.** Combine your own personal experiences and creativity with external forecasts and trend analysis. How is the world changing with respect to new technologies? What is the impact of globalization on current solutions? What new requirements will those changes produce? Recent media articles on trends are often a good place to start.
2. **Define your purpose and objectives.** Identify your most promising opportunity, being careful to discriminate between an interesting technological idea and a viable market opportunity. Prepare an outline which will help you to determine what types of data and information you need to demonstrate the attractiveness of your chosen opportunity.
3. **Gather data from primary sources.** It is crucial for you to obtain data from primary sources. Potential investors will place more trust in well conducted primary research than in stacks of data from secondary sources. There is simply no substitute for talking to potential customers from the target market in order to validate the opportunity you have identified. Consequently, we prefer that you spend time gathering data from primary, not just secondary, sources. Check out SurveyMonkey as well.
4. **Gather data from secondary sources.** Countless secondary sources exist on the web and in UH's various library resources. Try not to get too bogged down in financial and accounting data.
5. **Analyze and interpret the results.** Persuasively summarize your results.

Project Milestones

Class – 9/3

Team Formation Deadline: This team will serve as your term project team.

Class – 9/24

Initial Positioning Statement: Fill in the two-sentence positioning template for your OAP product or service concept. The template is:

Sentence #1

For (target customer)
who (statement of the need or opportunity),
the (product/service name) is a (product/service category)
that (statement of benefit).

Sentence #2

Unlike (primary competitive alternative),
our product (statement of primary differentiation).

Create two PowerPoint slides. One slide should simply list the name of your project team with all the team members and their majors. The second slide should have a succinct draft of your positioning statement above. Send to instructor via email with your team name clearly identified by 4 PM the day of the class.

Class – 10/8

Market Research Report: Bring a hard copy of your report. The first section should provide your detailed approach to conducting market research. The second section should provide a summary of your results and your initial interpretation of these results. The third section should provide a bibliography of sources. An appendix should then be included with the data gathered from each source.

Class – 10/22

Opportunity Assessment Written Analysis and Elevator Pitch: Bring a hard copy of your 750-word written analysis to instructor. Your team is strongly encouraged to keep your written analysis to 750 words, as this is a good opportunity to learn how to be succinct in business communications. However, if it is absolutely necessary, the word count may be increased 20%, up to 900 words. Your team will have 1 minute to deliver an Elevator Pitch about your opportunity. This time limit will be strictly enforced.

Class – 11/12

Mandatory Instructor Meeting: Each team will have a scheduled meeting with the instructor to discuss their project, review their progress and address any issues that have surfaced.

Class – 12/3

Opportunity Execution Presentation: Presentations are limited to 15 minutes per team. Slides should be in standard PowerPoint format, with a recommended maximum of 8 slides per team. The best presentations are often the shortest and most succinct. A summary at the end of the presentation is often very powerful.

Class – 12/3

Bring a hardcopy of your OEP written analysis to instructor in class. Your team is strongly encouraged to be efficient in your written analysis, as this is a good opportunity to learn how to be succinct in business communications.

Key Deliverables

Opportunity Assessment Project:

You and your team should pick an opportunity and perform a first analysis to understand whether your opportunity can be turned into a scalable business. In your written analysis you should tell the "story" of your proposed venture by addressing the following:

- **Concept.** Where did your idea come from (e.g., work, traveling)? Explain what the market opportunity is and what your solution might be. What makes your solution particularly compelling? How does it make meaning? Do you have personal experiences with this market? Is there existing intellectual property that you must license or new intellectual property you must develop in order to pursue this opportunity? Has anyone tried something like this before? If so, why did they fail or succeed, and why is the opportunity still attractive?
- **Market.** What industry are you addressing? Why is this market attractive? What segment of the overall market are you pursuing? What market research data can be gathered to describe this market need? What are the total industry or category sales over the past three years? What is the anticipated growth for this industry? If this is a new market, what is the best analogous market data that illustrates the opportunity? Project the potential market size and growth for your opportunity.
- **Customers.** This is extremely important. You need to have a clear idea of who your target customer is. The only way for you to be able to do this is to "get out of the building" and speak with your potential customers. You will need to answer questions such as: What does the customer need? Why does the customer need it? What is the customer using today? What is the customer willing to pay for your solution? Why? How will you reach this customer? You should include both primary (or first-hand) research and secondary research, emphasizing primary over secondary.
- **Business Model.** Now that you have discovered an opportunity and talked to potential customers, how will you turn it into a business? How will you make money and when do you expect your venture to be profitable? (You will get to think about this more in the Opportunity Execution Project.)
- **Competition.** Who else serves this customer need? What advantages and weaknesses do these competitors and would-be competitors have? What share of the market do specific competitors serve? Are the major competitors' sales growing, declining, or steady? What are the barriers to entry for you and for additional competitors?

The list above has no implied order. Some entrepreneurs start with a well-defined concept and then try to identify a market for their idea; others start by studying a market and then stumble upon an idea. Also, please keep in mind that the specific data and information you provide will vary according to the type of opportunity you choose to analyze.

Opportunity Execution Project:

The Opportunity Execution Project is a chance for your team to think about how to take your idea from a concept on paper and turn it into a real company. For this part, your analysis should include the following:

- **Fundamental Problem.** What is the fundamental problem you are solving for the end user of your product? What is the fundamental problem you're solving for your customer (if it is different from the end user)? Give a quick recap of your OAP - just a reminder of your key points and the takeaway.
- **Business Model.** You now have had some more time to think about your opportunity. Do you have any additional thoughts/changes about the business model?
- **Financial Statements.** Include an Income Statement, Statement of Cash Flows and Balance Sheet for your business that forecasts the next 3 years. The first year should be on a monthly basis with the following 2 years providing an annual summary.
- **Sales & Marketing Strategy.** How would you sell your product? What distribution channels would you use? How would you create demand for your product?
- **Risk.** Regarding financial, technical, people, and market risks; which one is of most concern? Which would you choose to address first and why? How would you manage or minimize each of the high-priority risks going forward?
- **Partners and Allies.** Who will be your major partners? How will your product be made? Will your company produce all of the parts, or will it use external suppliers? How would you go about attracting these partners and allies to work with your company?
- **Team.** Who would you need on your team in order to make this venture a success? What kind of experience and skills would your team need? How would you go about attracting them to your company?