



## Social Problem-based Entrepreneurship - Conceive, Develop, & Launch! Syllabus, Spring 2012

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**Course Number:**  
INTA-GB.3337.30

**Date/Time:** Wednesdays 6:00 – 9:00 pm

**Office Hours:**  
To be determined

**Required Course Materials**

- Novogratz, Jacqueline (2009). *The Blue Sweater, Bridging the Gap Between Rich and Poor in an Interconnected World*. Rodale Inc.
- Kim, W. Chan & Mauborgne, Renee (2005). *The Blue Ocean Strategy*. Harvard Business School Publishing Corporation.
- Coyne, Kevin. *Enduring Ideas: The GE-McKinsey Nine-box Matrix*. McKinsey Quarterly.com.
- Hamermesh, Richard G., Marshall, Paul W., Pirmohamed, Taz. *Note on Business Model Analysis for the Entrepreneur*. Harvard Business School Publishing Corporation.
- *Strategy: A Primer* from *Harvard Business Essentials: Manager's Toolkit* (February 18, 2004). Harvard Business School Press.

- Elkington, John, Hartigan, Pamela. *Creating Successful Business Models, Lessons from Social Entrepreneurship* (2008). Harvard Business School Publishing Corporation.

### **Recommended Reading**

Agriculture and Health Care Starter Packets in Appendix A & B, depending on the domain you choose.

### **Course Description:**

This course is designed to put the idea of teaching social entrepreneurship to its ultimate test—with the objective of incubating a series of social ventures through the course of a semester. Early in the class, teams of three to four students each will be formed. Each team will consist of students of multi-disciplinary backgrounds, as the class will be open to students from a variety of schools (e.g. School of Medicine, Tisch School of Arts, School of Law, School of Business, Wagner, Steinhardt etc.) This way, the start-up teams will be able to work through problems from a creative, technical as well as business point of view more effectively than if they were all from the same background.

Teams are permitted to choose their industry of focus, but if they don't have one, they can choose from one of two domains or “mega-problems” as a starting point:

1. Agriculture Domain: The decline of agricultural yields due to drought, groundwater depletion, over-use of chemical fertilizers and pesticides, poor farming practices, etc.
2. Health Care Domain: Dangerously low per-capita doctor concentration, making basic health care difficult to obtain.

While teams can choose their ultimate market of focus, the class will focus on India and will entail a trip to India in January 2012. By using the mega-problem as a starting point, teams will drill down through the problem to develop a social venture that addresses the problem. For example, the first problem could result in solutions as diverse as low cost water harvesting systems to an agriculture-focused micro-financing institution to a research institution for organic farming. The teams will be provided with a variety of tools including in-class workshops, labs and access to a multitude of partner companies in India. By the end of the class, the teams should have fine-tuned their solutions, designed a pilot product/service, proposed a business model and completed strategy statements for their venture.

The class will be 3 credits and will focus on (1) studying the industry, (2) mapping opportunities, (3) fine-tuning ideas, (4) developing a pilot product/solution (5) developing the business model and (6) designing a strategy and mission statement.

## **Course Philosophy**

At business schools these days, it is a matter of constant debate as to whether a classroom environment can foster entrepreneurship. After all, successful entrepreneurs display characteristics which often seem to have little to do with what can be taught – passion, risk-taking appetite, a sense of purpose, a vision, a dream and so on. For social entrepreneurship, which involves developing a sustainable enterprise that also addresses a social issue, this is perhaps even more pronounced.

In addition to the requisite individual characteristics, there are arguably several key inputs that are important for incubating a business. They include (1) an idea, (2) expertise, (3) a market and (4) capital. By providing a mega-problem as a starting point for ideation, forming multi-disciplinary teams, focusing on India, and helping students create the necessary building blocks to attract capital, this social venture incubation class proposes to uniquely bring all of these to the classroom.

## **Course Objectives**

- To provide students already predisposed toward social entrepreneurship with the concepts, frameworks and models to systematically incubate new social businesses.
- To provide access to industry-specific resources including industry experts and on-ground partners in order to map opportunities, fine-tune start-up ideas and develop working products or solutions.

## **Course Deliverables**

### *Industry Structure Analysis and Opportunity Mapping*

During the India trip, each team will have the opportunity to meet a variety of best-in-class public and private institutions in their domain. These visits, in combination with the required reading and other secondary research, will allow the teams to conduct a detailed Industry Structure Analysis on their respective sectors. This should include market segmentation analysis, market sizing, growth rates, industry economics, trend analysis, competitive landscape, regulatory framework analysis, and consumer research. The Opportunity Mapping Model will then be used to map specific opportunities derived from the Industry Structure Analysis with the core strengths of the team/venture in order to develop viable business ideas.

### *Product/Service and Business Model Development*

The next step will be for the teams to build or develop their product/service offering. As part of this class, teams are expected to either outline the inputs required for a product/service pilot, or if possible, actually build/conduct a pilot. This could involve

developing a beta product/service and conducting consumer surveys or tests. Teams will also need to outline the proposed business model for their product/service.

### *Strategy and Mission Statement Development*

Once the product/service offering has been identified, each team will need to develop its strategy/mission statement. This should be broken into 5 parts: (1) the Purpose of the Venture, (2) the Scope (what is the “playing field” for the venture), (3) Promise (what is the promise to its customer), (4) Advantage (What is the venture’s competitive advantage), and (5) Environment (What is the internal human or cultural environment that the venture seeks to create?).

### *Initial Business Concept Presentations*

At the end of the class, each team will need to present their Initial Business Concept Presentations. They will need to provide a detailed overview of the sector, the opportunity, the mission statement, a demo or video of the product/service, the business model, and initial thinking on how the venture will scale.

**A note on teams:** Peer evaluations will assist me in assessing the contribution each team member makes to the business plan. Individual grades therefore may be significantly better (or worse) than the team grade. Only in circumstances where a team member has not contributed, and where the balance of the team has attempted, unsuccessfully, to correct the problem with the individual and myself, can a team member be "fired." Arrange a meeting with me at the first sign of trouble.

### **Class and Small Group Participation**

The success of this course depends not only on your attendance, but also on your participation. The more you participate, the more fun and valuable the course will be for all of us. For every class, students are expected to read the supplemental readings and cases. Participation is measured using several criteria. These include actively participating individually during the "discussion" part of our sessions, in small group meetings, and in group presentations.

The instructor's evaluation of your participation will be evaluated using these criteria:

- When questions were presented to the class, how active was your participation?
- When you answered questions or commented on reading-related or discussion-related material in class, how accurately did you use concepts previously discussed?
- When you asked questions or commented on reading-related or discussion-related material in class, how creative (as opposed to redundant or repetitive) was your thinking?

- As this class involves significant time on the ground in India, how active were you in setting up meetings, in participating and extracting data in those meetings?
- While in India, how enterprising were you in accessing new resources while on the ground and maneuvering unforeseen circumstances?

### **Attendance and Lateness Policy**

Attendance at each class session is expected. If you miss more than one class (regardless of the reason), you can expect this to have a negative effect on your class participation grade. Excessive lateness, or leaving early, will also have a negative effect on your contribution grade.

### **Laptops, Cell Phones, & Other Electronic Devices**

These may not be used in class. Please turn off all electronic devices before class begins.

### **Honor Code and Academic Integrity**

We take Stern's honor code very seriously and therefore expect that you will too. In order to maintain a vigorous learning community in the classroom, it is critical that we, as a class, do not tolerate academic fraud (cheating, plagiarism, lying). As a matter of personal and professional respect for each other, and ourselves we should expect the highest standards of conduct from our peers and ourselves. Violating these standards takes away the value and meaning of the educational environment for all of us, and in the event that such a violation occurs, the individual(s) responsible will be subject to University sanctions that may include failure from the course, suspension, or expulsion. Please see me if you are uncertain about what represents an honor code violation.

## **About the Instructor**

Hans Taparia is a co-founder and President of Preferred Brands International (PBI). PBI, set up in 1995, is a Stamford, Connecticut based food company that manufactures a range of natural, convenience, specialty foods under the brand *Tasty Bite*. *Tasty Bite* is currently the largest selling brand of Indian food and amongst the top selling brands of Asian food sold in North America, available at most mainstream chains including Costco, Whole Foods, Safeway, Supervalu and Kroger. Its products include a range of nearly 40 Indian and Thai entrées, meals, sauces and rice products.

PBI's manufacturing arm in India, Tasty Bite Eatables Ltd. (TBEL), is an integrated food factory with a ready-to-serve food processing division, frozen processing section, cold storage facility and 23 acres of farm. Tasty Bite has been highly active in corporate social responsibility over the past 15 years and has live projects in agriculture, renewable energy, water conservation, education and disaster relief. The company was awarded the 2008 Indian Government's APEDA award for food exports and ranked as one of the 2009 Great Places to Work Institute's Top 50 Indian companies to work for.

Hans is also a co-founder of ASG-Omni, a US and India based management consulting firm and incubator. ASG-Omni, along with Desh Deshpande and Sycamore Networks, was a co-founder of Bangalore-based Tejas Networks, which has grown to become one of the top 10 optical networking companies in the world. Tejas today employs over 700 people and has also been a winner of numerous accolades including the *Red Herring* 100 Global Award Winner in 2007 and the Deloitte and Touche Fast 500 Asia award 4 years in a row. Hans has a Bachelors of Science degree from the Massachusetts Institute of Technology.

## Course Schedule

Date	Module	Class Agenda; Readings
Early December, 2011	Team Formation Session India Overview;	<ul style="list-style-type: none"> <li>India Overview presentation</li> <li>Team formation session</li> <li>Creating Networks in India</li> </ul>
January 3 – 20, 2012	3 week trip to India with on-site visits to explore mega-problem. (see list of representative institutions in Table 1 & 2)	Reading: <ul style="list-style-type: none"> <li>Agriculture Starter Packet A;</li> <li>Health Care Starter Packet B</li> </ul>
February 8, 2012	Industry Structure Analysis: Part I	<ul style="list-style-type: none"> <li>Syllabus Review</li> <li>BCG Model applied to entrepreneurs</li> <li>McKinsey/GE Matrix – McKinsey Quarterly.com applied to entrepreneurs</li> </ul>
February 15, 2011	Industry Structure Analysis: Part II	<ul style="list-style-type: none"> <li>McKinsey/GE Matrix – McKinsey Quarterly.com applied to entrepreneurs</li> </ul>
February 22, 2012	Opportunity Mapping Model and Ideation Break-out Session	Reading: <ul style="list-style-type: none"> <li><i>The Blue Ocean Strategy</i></li> <li><i>The Blue Sweater</i></li> </ul>
February 29, 2012	Opportunity Mapping Model and Ideation	Team Presentations on Opportunity Mapping Model and Final Ideas
March 7, 2012	Product/Service Development Part I	Break-out Session on Developing the “Pilot”
March 21, 2012	Business Model Development	Reading: <ul style="list-style-type: none"> <li><i>Note on Business Model Analysis for the Entrepreneur</i></li> <li><i>Creating Successful Business Models</i></li> </ul>
March 28, 2012	Product and Business Models	Team Presentations on Product and Business Models
April 4, 2012	Strategy for the Entrepreneur	Reading: <ul style="list-style-type: none"> <li><i>Strategy: A Primer</i></li> </ul>
April 11, 2012	Strategy Development Break-out Session	Break-out Session
April 18, 2012	Initial Business Concept Presentations	Final Team Presentations
April 25, 2012	Initial Business Concept Presentations II	Final Team Presentations

**Breakdown of Course Requirements (1<sup>st</sup> semester only):**

<b>Module</b>	<b>% of Total Grade</b>
Completion of Industry Structure Analysis and Opportunity Mapping Model	15%
Product/Service and Business Model Development	20%
Strategy and Mission Statement Development	10%
Initial Business Concept Presentation	40%
Class Participation	15%
Total	100%

**Table 1: Representative Institutions to be visited during India Trip: Health Care Teams**

	<b>Institution</b>	<b>Description</b>
1	Embrace Global	Social venture set up by 4 Stanford graduate students to commercialize a \$150 incubator for babies (A hospital incubator costs about \$20,000). Uses unique phase change materials to regulate a baby's temperature using a device that looks like a small sleeping bag.
2	Narayana Hrudayalaya	World's largest heart hospital, based in Bangalore; Subsidizes the poor by charging wealthier patients a premium for private rooms; Pioneer in tele-medicine with 16 remote coronary care units in India.
3	Urban, semi-urban and rural hospitals	Visits with Physicians and Administrators in hospitals in urban, semi-urban and rural hospitals.
4	Nephrolife	Leading chain of stand-alone kidney dialysis centers in India.
5	mDhil	Health care information dissemination service via text/online channels.
6	1298	Largest private ambulance service in India. Has over 100 life support ambulances across the country. Subsidizes the poor by charging the wealthy a pick-up fee. Funded by Acumen Fund.
7	Ayurvaid	Hospital chain focused on integrating modern with ayurvedic medical care in South India. Funded by Acumen Fund.
8	Ministry of Health, Government of India	Meetings with key bureaucrats, political figures.

**Table 2: Representative Institutions to be visited during India Trip: Agriculture Teams**

	<b>Institution</b>	<b>Description</b>
1	Tasty Bite	Largest branded exporter of food from India; Largest selling brand of Indian food sold in North America.
2	Earthy Goods	Marketing organization focused on developing rural food and personal care vendors for premium urban retail markets.
3	Mahindra & Mahindra	India's largest tractor company; Has strong agricultural focused CSR program.
4	Hindustan Unilever Project Shakti	Unilever program to empower womens' self help groups in rural India to become micro-entrepreneurs selling Unilever products.
5	Maharashtra Organic Federation	Leading organic farmers' organization
6	Center for Sustainable Agriculture	Research Institution focused on sustainable agricultural techniques
7	Rural Development Department, Government of Andhra Pradesh	Leading state department focused on deployment of sustainable agricultural techniques
8	Punjab Agricultural University	Leading agricultural university
9	University of Agricultural Sciences, Bangalore	Leading agricultural university
10	Visits with farms small, medium and large scale farms in states of Punjab, Andhra Pradesh and Maharashtra	
11	Ministry of Agriculture, Government of India	Meetings with key bureaucrats; political figures

Appendix A: Agriculture Starter Packet (A series of case studies, online resources, databases, and publications)

- Wendell, Berry (2009). *Bringing It to the Table: On Farming and Food*, Counterpoint LLC.
- Pollan, Michael (2006). *Omnivore's Dilemma*. Penguin Press.
- Giovanni, Federico (2005). *Feeding the World: An Economic History of Agriculture 1800-2000*. Princeton University Press.
- Adamchak, Raoul W., Ronald, Pamela C. (2008). *Tomorrow's Table: Organic Farming, Genetics and the Future of Food*. Oxford University Press.
- Mollison, B.C. (November 1997). *Introduction to Permaculture*. Tagari Publications.
- Reddy, Narasimha D., Mishra, Srijit (2009). *Agrarian Crisis in India*. Oxford University Press.
- Bajpai, Nirupam, Volavka, Nicole (April 2005). *Agricultural Performance in Uttar Pradesh: A Historical Account*. The Earth Institute, Columbia University.
- Ramanjaneyulu, G.V. (October 2004). *No Pesticides, No Pests*. Center for Sustainable Agriculture, Andhra Pradesh.
- Farhoomand, Ali, Bhatnagar, Saurabh (June 20, 2008). *ITC e-Choupal: Corporate Social Responsibility in Rural India*. Harvard Business Publishing Case Study.
- Iyer, Lakshmi (April 21, 2009). *Punjab And Kerala: Regional Development in India*. Harvard Business Publishing Case Study.
- Khaire, Mukti (February 1, 2010). *Fabindia Overseas Pvt. Ltd.* Harvard Business Publishing Case Study.
- Agricultural and Processed Food Products Export Development Authority (APEDA) web site: <http://apeda.com/apedawebsite>
- Ministry of Agriculture, Government of India web site: <http://agricoop.nic.in>

Appendix B: Health Care Starter Packet (A series of case studies, online resources, databases, and publications)

- Gawande, Atul (2007). *Better*. Henry Holt & Company
- Porter, Michael E. & Teisberg, Elizabeth Olmsted (2006). *Redefining Healthcare*. Harvard Business School Press.
- Khanna, Tarun (2009). *Billions of Entrepreneurs: How China and India are Reshaping Their Futures—and Yours*. Harvard Business School Press.
- Gawande, Atul (2002). *Complications*. Henry Holt & Company
- Kidder, Tracy (2009). *Mountains Beyond Mountains: The Quest of Dr. Paul Farmer, A Man Who Would Cure the World*. Random House.
- Bajpai, Nirupam, Sachs, Jeffrey D., Dholakia, Ravindra H. (February 2008) *Improving Access, Service Delivery and Efficiency of the Public Health System in Rural India*. The Earth Institute, Columbia University.
- Ranson, Kent M. (February 2006). *Making Health Insurance Work for the Poor*. *Social Science & Medicine*, Volume 62, Issue 3.
- Banerjee, Abhijit, Deaton, Angus, Duflo, Esther (May 2004). *Wealth, Health and Health Services in Rural Rajasthan*. MIT Abdul Latif Jameel Poverty Action Lab.
- Rangan, V. Kasturi (April 1, 1993). *Aravind Eye Hospital, Madurai, India: In Service For Sight*. Harvard Business Publishing Case Study.
- Khanna, Tarun, Rangan V. Kasturi (June 22, 2005). *Narayana Hrudayalaya Heart Hospital: Cardiac Care for the Poor*. Harvard Business Publishing Case Study.
- Ministry of Health & Family Welfare, Government of India web site – <http://mohfw.nic.in>
- World Health Organization India Web Site - <http://www.who.int/countries/ind/en>