MGMT-GB.3335.00
FOUNDATIONS OF ENTREPRENEURSHIP
Spring 2013

Saturdays, 9 AM-Noon
KMC 4-80

Instructor Information:  Professor Geraldine A. Wu
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Office Hours:  Friday, 3-4pm
AND by appointment

TF Information:  Gina Lee
Email: igs203@stern.nyu.edu

Required Course Materials:

1. Professor Wu’s MGMT-GB.3335.00
   XanEdu Digital CoursePack (CP)
   Digital access with desktop printing.


3. Course Blackboard site (BB):
   https://classes.nyu.edu
   Additional course materials will be posted on
   Blackboard throughout the course. The BB site will
   also be used for assignments, class announcements, and
   group discussions. You should check the site on a
   regular basis, and are expected to upload deliverables to
   the site.
COURSE OVERVIEW
The purpose of this course is to explore the many dimensions and challenges of new venture creation and growth. The course uses and integrates many of the disciplines in the MBA curriculum. The course offers a framework for understanding the entrepreneurial process and exposes students to problems and issues faced by entrepreneurs who start new businesses. Major objectives are for students to learn how to identify and evaluate business opportunities, develop a business concept, assess and obtain the required resources, create and operate an entrepreneurial organization, recognize and overcome new venture challenges, and manage the growth of ventures.

This course is pertinent for students who are considering becoming entrepreneurs or working in a start-up, early-stage venture, or entrepreneurially-minded company at some point in their careers. It is also relevant for students interested in obtaining jobs in consulting, venture capital/private equity, or in other businesses where they are dealing with new or relatively new ventures.

COURSE FRAMEWORK
Entrepreneurship is a story of combining different forms of capital/resources with opportunities, innovation, and networks. In this course, I will be your guide to exploring the following questions:

- Where do opportunities come from? How should they be evaluated? How should they be pursued?
- What influence do the five forms of capital (financial, human, social, intellectual, and cultural) have on the establishment and growth of entrepreneurial ventures?
- How and when are the key strategic and financial resources needed for a new venture assembled?
- What are the roles of various levels of networks in entrepreneurship?

METHODS OF INSTRUCTION
I will use several methods of instruction in the course: case study discussion, readings, lectures, guest speakers, and the venture proposal project.

For many of the case study readings, there will be a corresponding online poll that must be completed by 2pm on the day before class (i.e., on Friday afternoons). I may also use case discussion questions to frame the topics of the week. The online polls and case discussion questions should help students find the most important information in the cases. In most of the cases, there is both valuable and extraneous information for the questions at hand. Sorting through the information in order to conduct your analyses and craft your recommendations is one of the skills to be developed in this course. It is my expectation that students will come to class with a working knowledge of the cases, prepared to discuss and defend their opinions about the topics. I will cold call students, so please read and prepare the cases thoroughly. Required readings from the CoursePack, BPW book, and Blackboard site are to be completed before arriving in class. Required readings are essential for understanding the topics for each week.
Guest speakers will be invited to speak on particular subjects. In most cases, these guest speakers will be functioning as experts on a topic or as in-class, “real-time”/“live” case studies. Guest speakers are an important part of the course because of the multiple ways that entrepreneurial success is achieved.

The venture project is the centerpiece of the course. This course is preparing you to develop and present your own original venture proposal at the end of the semester. By the end of the course, you should be well equipped to 1) assess the strengths and weaknesses of a venture from both the entrepreneur’s and investor’s perspectives, 2) write an effective and professional business proposal, 3) build your confidence and intuition on the entrepreneurial process of converting dreams into reality, and 4) learn what role, if any, you should take in the entrepreneurial process.

CLASS GUIDELINES
The learning experience in a course like this one depends heavily on each student being prepared to actively participate in every class session. Name cards for each class are mandatory. Please be prepared to be called upon to comment on your assignments and to discuss cases and readings. You will be evaluated on the quantity as well as the quality of your contribution and insights.

Quality class participation is a significant part of the learning process in this class. Quality comments include, but are not limited to: a) Contributing to moving the discussion forward, b) Building on the comments of others, c) Providing insights that show evidence of analysis and go beyond repetition of case facts, d) Offering a different, unique, and relevant perspective on the issue, e) Including some evidence or analysis of inherent trade-offs, and f) Asking good and thought provoking questions. You should never hesitate to comment because you are concerned that you are wrong or unsure of your opinion. Everyone is wrong sometimes. Many of the questions that will be posed in class will draw from the cases, readings, and pre-class online polls.

Please agree to listen to each other – not necessarily agree, but listen. Try not to interrupt. My role is somewhat different. I will listen, but I also take responsibility for moving the process and the class along. Therefore, I might interrupt a discussion in order to move the class on.

ATTENDANCE POLICY
Many of the benefits of the course will be obtained in the classroom discussions that take place. A student’s absence not only deprives them of the benefits of class discussion, but it also deprives the rest of the class of their participation. Especially in an area like entrepreneurship, learning occurs through interaction. Beyond one absence, failure to attend class will have a significant impact on your class participation grade. Attendance will be taken at each class by passing around an attendance sheet that must be signed. If you cannot attend a class, please email me in advance. This is not a substitute for attendance. Absences may be excused only in the case of documented serious illness, family emergency, religious observance, or civic obligation. If you will miss class for religious observance or civic obligation, you must inform me no later than the first week of class. Recruiting activities are not acceptable reasons for class absence. Late arrivals disrupt the flow of the class. Please arrive on time and notify me in advance of anticipated absences, late arrivals, or early departures.
LAPTOPS, ETC.
Laptops and other technology in the classroom should only be used when relevant to the material being discussed. Please refrain from using your laptop during class time to engage in non-class-related activities. Also, please set your smartphones to “silent” before class begins, and refrain from text messaging or instant messaging during class. Unless otherwise noted, all of the default policies for Stern courses will be adhered to.

ACADEMIC INTEGRITY
The NYU Stern Code of Conduct (http://www.stern.nyu.edu/cons/groups/content/documents/webasset/con_032511.pdf) upholds the integrity of this institution and, as such, violations will be dealt with strictly.

STUDENTS WITH DISABILITIES
If you have a qualified disability and will require academic accommodation during this course, please contact the Moses Center for Students with Disabilities (CSD, 212-998-4980) and provide me with a letter from them verifying your registration and outlining the accommodations they recommend.

ASSIGNMENTS & GRADES
Grades will be based upon:

<table>
<thead>
<tr>
<th>Assignment</th>
<th>Percentage</th>
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<tbody>
<tr>
<td>Venture Concept Assignment (Individual)</td>
<td>10%</td>
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<tr>
<td>Case Study Analysis (Individual)</td>
<td>15%</td>
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<tr>
<td>Online Polls (Individual)</td>
<td>10%</td>
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<tr>
<td>Class Participation (Individual)</td>
<td>20%</td>
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<tr>
<td>Final Venture Proposal (Team)</td>
<td>35%</td>
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<tr>
<td>Final Venture Proposal Presentation (Team)</td>
<td>10%</td>
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<tr>
<td><strong>TOTAL</strong></td>
<td><strong>100%</strong></td>
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VENTURE CONCEPT ASSIGNMENT (10%)
Each student will develop a one-page description of a venture idea that answers the following questions: What is the name of your venture? What is the product or service you are providing? What existing need/want/problem does your concept solve? Who are the potential customers? Explain why/how this venture concept creates value for the consumer or client (i.e., why will they buy?). What are your revenue sources? What is your competitive advantage? Please bring two hard copies of your venture concept to class, and also upload an electronic version in Microsoft Word via Blackboard. The detailed guidelines for this assignment will be posted on Blackboard.
CASE STUDY ANALYSIS (15%)  
Each student is responsible for completing one written case study analysis during the semester. Case analyses put the student in the role of the decision maker. In general, a case analysis identifies the challenges and opportunities in the case, presents alternatives for dealing with these challenges, and recommends an approach to address the challenge or opportunity. The following two cases are eligible for the case write-up: “CommonAngels”/“AEC Systems Business Plan” OR “VacationSpot.com & Rent-A-Holiday.” Case analysis write-ups are due at the beginning of class on the dates listed below. No late papers will be accepted. No exceptions. Please bring two hard copies of your case analysis to class, and also upload an electronic version in Microsoft Word via Blackboard. Your write-up should not exceed 900 words (equivalent to about 1½ pages single-spaced or 3 pages double-spaced), and is expected to conform to professional standards of organization, grammar, punctuation, spelling, and paragraph/sentence structure. Guidelines for case analysis will be posted on Blackboard, and we will discuss the content in more detail during class.

ONLINE POLLS (10%)  
There will be seven online polls (Polls #1-7) during the semester that count towards your grade. The initial poll (Intro Poll) is an introductory student information survey, which does not count. Only your six highest grades on Polls #1-7 will be counted (in other words, you can skip one poll). No late polls will be accepted, and the polls will close once the 2pm deadline has passed. If you have trouble submitting your poll (e.g., the survey website is down), please email me your answers before the poll is due.

Answering the poll questions should not take much time beyond your normal preparation for class. As a guideline, you should aim to spend no more than 15 minutes answering the poll questions (not including the time needed to read and prepare the cases) – some polls may take you as little as 5 minutes to answer, while others may take you up to 20 minutes, depending on how comfortable you are with the particular subject matter. For the short answer questions in the polls, I am looking for only 1-3 succinct sentences or bullet points. These polls serve as a starting point for our class discussions.

FINAL VENTURE PROPOSAL (35%)  
FINAL VENTURE PROPOSAL PRESENTATION (10%)  
Each student will work on a semester-long project with a team of colleagues. The project will be presented at the end of the term.

Business Proposal – Each team of students will take a business idea and develop it into a formal business proposal, which will be presented to the class. Each student will have an opportunity to “pitch” their business idea to the class and garner support from 3 other team members. If you are unable to get support from 3 colleagues, you should probably join another team. Students cannot work individually on their own business idea. The main body of your venture proposal should be a maximum of 12 pages (excluding cover page, table of contents, executive summary, and appendices).
Team Guidelines

- Teams will be composed of four students. *This may be modified depending on the number enrolled in the course.*
- Teams will be stronger if they are diverse in experience and interest.
- Teams will form on or before March 16 and will submit their entrepreneurial opportunities for approval.
- Teams can submit a draft of their proposal for review up through April 20 (this is optional)
- At the end of the term, students will have an opportunity to evaluate the performance of their group members. All members of the group will receive the same grade for the final project, except when there is overwhelming evidence from within the team that a certain individual or individuals have not contributed equally to the project. In such cases, *individual grade adjustments to group grades may result if warranted by the group peer feedback and evaluations.*

Team Meeting with Professor Wu

I will meet with each team of students in late March/early April. During this meeting, I will serve as your external consultant and answer specific questions and give advice. There is no grade for this meeting, but it is a chance to clarify expectations and receive feedback from me. Scheduling this meeting with me is an important milestone for your final project.

Course Schedule

I have attached a detailed two-page course schedule. This will inform you of the required cases and readings for each session (optional readings are so designated), and when assignments are due. Please read the course schedule carefully. The sequence in which we will discuss cases and readings in class can be slightly different from the sequence in which the cases are compiled in the packet. I reserve the right to make occasional adjustments to the scheduling. This may include, on occasion, the reduction or elimination of a case discussion.
# Foundations of Entrepreneurship – Course Schedule

<table>
<thead>
<tr>
<th>Session</th>
<th>Topics</th>
<th>Cases (Required)</th>
<th>Readings</th>
<th>DUE</th>
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<tbody>
<tr>
<td><strong>INTRODUCTION</strong></td>
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| 1 | Feb 16 | Course Overview  
Intro to Entrepreneurship | | | • The Founder’s Dilemma (CP) |
| **OPPORTUNITIES** | | | | |
| 2 | Feb 23 | Ideas & Innovation  
Opportunities  
Business Models | Zipcar (CP) | | • Identifying Venture Opportunities (CP)  
• Business Model Analysis for Entrepreneurs (CP)  
• Optional: BPW chs. 1-2 |
| | | | | • Intro Poll & resume upload (by 2pm on Fri, 2/22)  
• Poll #1 (by 2pm on Fri, 2/22) |
| 3 | Mar 2 | Business Planning | Room for Dessert (CP)  
Extend Fertility (handout) | | • BPW chs. 3-5, ch. 9 |
| | | | | • Poll #2 (by 2pm on Fri, 3/1)  
• Venture Concept (by class time; 2 hard copies to class, uploaded to BB) |
| 4 | Mar 9 | Venture Concepts  
Pitch Day (one-minute pitches) | | | • Financing New Ventures (CP)  
• Business Model Canvas (BB) |
| | | | | • One-minute pitches (in class) |
| **ASSEMBLING STRATEGIC & FINANCIAL RESOURCES** | | | | |
| 5a | Mar 16 | Intellectual Property | X-IT and Kidde (CP) | | • Intellectual Property & Strategy (CP) |
| | | | | • Poll #3 (by 2pm on Fri, 3/15)  
• Project teams formed (by end of class; submit project team member list) |
| 5b | Mar 16 | Entrepreneurial Marketing | Clocky (CP) | | • BPW ch. 6  
• Optional: Note on Market Research (CP) |
| | | | | | | | | | | |
| Mar 18-  
Mar 24 | SPRING BREAK – HAVE FUN!! (NO CLASSES) | | | | | | |
| 6 | Mar 30 | New Venture Finance | CommonAngels (CP)  
AEC Systems Business Plan (CP)  
Yieldex (CP) | | • Note on Angel Financing (CP)  
• Funding New Ventures (CP)  
• Bootstrap Finance: The Art of Start-Ups (CP) |
<p>| | | | | • CommonAngels Case Analysis (only if selected; 2 hard copies to class, uploaded to BB) |</p>
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<thead>
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<tbody>
<tr>
<td>7a</td>
<td>New Venture Finance</td>
<td>VacationSpot.com &amp; Rent-A-Holiday (CP)</td>
<td>• Term Sheet Negotiations (CP)</td>
<td>• Poll #4 (by 2pm on Fri, 4/5)</td>
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<td>Apr 6</td>
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<td>• Optional: BPW ch. 10</td>
<td>VacationSpot Case Analysis (only if selected; 2 hard copies to class, uploaded to BB)</td>
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<td>7b</td>
<td>Entrepreneurial Organizations</td>
<td>Urban Decay (CP)</td>
<td>• Entrepreneurial Decisions and Legal Issues in Early Venture Stages (BB)</td>
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<td>Apr 6</td>
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<td>8</td>
<td>Entrepreneurial Organizations</td>
<td>Savage Beast (CP)</td>
<td>• BPW chs. 7-8</td>
<td>Poll #5 (by 2pm on Fri, 4/12)</td>
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<td>Apr 13</td>
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<td>Negotiating Equity Splits (CP+handout)</td>
<td>• Optional: Personal &amp; Extended Networks are Central to the Entrepreneurial Process (BB)</td>
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<td>REALIZING VALUE &amp; MANAGING GROWTH</td>
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<td>9</td>
<td>Managing Uncertainty</td>
<td>Pandora Radio (CP)</td>
<td>• Optional: Critical Competitive Strategy Issues (BB)</td>
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<td>Apr 20</td>
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<td>10</td>
<td>Managing Uncertainty</td>
<td>Dropbox (CP)</td>
<td>• Hypothesis-Driven Entrepreneurship: The Lean Startup (CP)</td>
<td>Poll #6 (by 2pm on Fri, 4/26)</td>
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<td>Apr 27</td>
<td>Managing Growth</td>
<td>Rent the Runway (CP)</td>
<td>• Note on Managing the Growing Venture (CP)</td>
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<td>11</td>
<td>Managing Growth</td>
<td>Gilt Groupe (CP)</td>
<td>• Note on the Initial Public Offering Process (CP)</td>
<td>Poll #7 (by 2pm on Fri, 5/3)</td>
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<td>May 4</td>
<td>Harvest</td>
<td>Nantucket Nectars (CP)</td>
<td>• Note on Valuing Private Businesses (CP)</td>
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<tr>
<td>LAUNCHING VENTURES</td>
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<td>12</td>
<td>Presentations (attendance</td>
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<td>• Presentations (in class)</td>
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<td>May 11</td>
<td>required)</td>
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<tr>
<td>May 16</td>
<td>Final Projects DUE on Thursday, May 16th at 11pm!! (uploaded to BB; PDF emailed to <a href="mailto:geraldine.wu@stern.nyu.edu">geraldine.wu@stern.nyu.edu</a>)</td>
<td></td>
<td>Note: Pick only ONE of the two case analysis options (CommonAngels/AEC Systems OR VacationSpot.com) to submit.</td>
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USING BLACKBOARD IN FOUNDATIONS OF ENTREPRENEURSHIP

Submitting Assignments via Blackboard

1. Click on Assignments
2. Click on the appropriate assignment (e.g., Venture Concept)
3. Next to “Attach local file,” click Browse to locate the file on your computer
4. Click Submit (you must click “Submit” to upload the assignment, NOT “Save”)
5. Take note of the confirmation: “The assignment has been updated.”

Obtaining Help with Blackboard

Student help guides and FAQs: [http://w4.stern.nyu.edu/citl/blackboard.cfm?doc_id=3295](http://w4.stern.nyu.edu/citl/blackboard.cfm?doc_id=3295)
Contact the CITL for assistance with Blackboard at: citl@stern.nyu.edu
For other technical assistance, contact the Stern IT helpdesk at (212) 998-0180 or helpdesk@stern.nyu.edu