

Graduate Institute of Technology, Innovation and Intellectual Property Management

National Chengchi University

Entrepreneurship and New Venture Development (創業與新事業發展)

Spring 2015 (103 學年度第 2 學期)

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Class Time: 14:10 – 17:00 Thursday
Class Location: TBD

Course Description:

Among billions of profit/non-profit organizations worldwide, how do these organizations begin? What are the risks that new organizations face? What explains why some organizations disappear, while others last? This course aims to address these and other questions.

This is a challenging, instructive, and valuable class for students who are considering a career in entrepreneurship. The course covers topics ranging from evaluating potential opportunities and their broader context, assessing risks in pursuing such opportunities, organizing founding teams, and managing new ventures. Students will gain a deeper understanding of the entrepreneurial process, including how value can be maximized (or destroyed) across different aspects of a business. The course is intended for those students who have some basic knowledge of business/management. Students are expected to learn the best (or worst) practices of entrepreneurial management through case discussion. Course assignments include intensive readings, case preparations, regular writing exercises, term project, and taking active roles in facilitating class discussions.

This course also embedded with the concept of the Lean LaunchPad course of Stanford University that concentrating on new venture practice. Students will be getting their hands dirty talking to customers, partners and competitors as they encounter the chaos and uncertainty of how a startup actually works. Student will work in teams, learning how to turn a great idea into a great company. The business canvas will be adopted on this practice (Blank & Engel, 2013).

Course Objectives:

This course has been designed to achieve the following objectives:

- To familiarize students with various real cases in entrepreneurial management.
- Provide understanding of entrepreneurship, that is, initiating an innovative new business venture and developing it into a self-sustaining and profitable enterprise.

- Provide understanding of the process whereby a person decides to become an entrepreneur, screens opportunities, selects an appropriate product/market target, obtains the necessary resources, and launches a new enterprise.
- Provide the practical knowledge for the preparation of drafts of business plans for the development of new products, processes and services and for the financing of new enterprises.

Teaching Method: Case study, group discussion supported with lectures, student exercise, and guest speech.

Instruction Materials:

- Cases:
 - Harvard Business Publishing (<http://hbsp.harvard.edu/>)
 - ◆ *Nantucket Nectars* (9-898-171)
 - Ivey Publishing (<http://cases.ivey.uwo.ca/>)
 - ◆ *Groupon* (9B12M004)
 - ◆ *Uncertainty and Entrepreneurial Action at Readeo.com* (9B12M072)
 - Harvard Business Review (HBR) Case Studies
 - ◆ *The Mission Versus the Bottom Line*, HBR, October 2011
 - ◆ *In Search of a Second Act*, HBR, April 2013
- Textbook References:
 - Entrepreneurship, 2nd ed. Bygrave and Zacharakis, Wiley, 2010 (ISBN-13: 978-0470450376).
- Recommended Readings:
 - How Entrepreneurs Craft Strategies That Work. By: Bhide, Amar. *Harvard Business Review*. Mar/Apr94, Vol. 72 Issue 2, p150-161.
 - How to Write a Great Business Plan. By: Sahlman, William A. *Harvard Business Review*. Jul/Aug1997, Vol. 75 Issue 4, p98-108.
 - Making Social Ventures Work. By: Thompson, James D.; MacMillan, Ian C. *Harvard Business Review*. Sep2010, Vol. 88 Issue 9, p66-73.
 - The Value Captor's Process. By: McGrath, Rita Gunther; Keil, Thomas. *Harvard Business Review*. May2007, Vol. 85 Issue 5, p128-136.
 - How much money does your new venture need? By: Stancill, James McNeill. *Harvard Business Review*. May/Jun86, Vol. 64 Issue 3, p122-139.
 - Milestones for successful venture planning. By: Block, Zenas; MacMillan, Ian C. *Harvard Business Review*. Sep/Oct85, Vol. 63 Issue 5, p184-196.
 - Strategy vs. tactics from a venture capitalist. By: Rock, Arthur. *Harvard Business Review*. Nov/Dec87, Vol. 65 Issue 6, p63-67.
- Reference for Your Research Interest:
 - Alvarez, S. A., and Busenitz, L. W., 2001, "The Entrepreneurship of Resource-Based Theory", *Journal of Management*, Vol.27 (6), 755-775.
 - Ardichvili, A., Cardozo, R. and Ray, S., 2003, "A Theory of Entrepreneurial Opportunity Identification and Development", *Journal of Business Venturing*, Vol.18(1), 105-123.
 - Brush, C. G., Greene, P. G., and Hart, M. M., 2001, "From Initial Idea to Unique Advantage: The Entrepreneurial Challenge of Constructing a Resource Base", *Academy of Management Executive*,

Vol.15 (1), 64-78.

- Busenitz, L. W., West III, G. P., Shepherd, D., Nelson, T., Chandler, G. N., and Zacharakis, A., 2003, "Entrepreneurship Research in Emergence: Past Trends and Future Directions", *Journal of Management*, Vol.29 (3), 285-308.
- Choi, Y. R. and Shepherd, D. A., 2004, "Entrepreneurs' Decisions to Exploit Opportunities", *Journal of Management*, Vol.30 (3), 337-395.
- Dew, N. S. Ramakrishna, V. and Venkataraman, S. 2004, "Dispersed Knowledge and an Entrepreneurial Theory of the Firm", *Journal of Business Venturing*, Vol.19, 659-679.
- Ireland, R. D., Reutzell, C. R. and Webb, J. W., 2005, "Entrepreneurship Research in AMJ: What Has Been Published, and What Might the Future Hold?", *Academy of Management Journal*, Vol.48 (4), 556-564.
- McMullen, J. S. and Shepherd, D. A., 2006, "Entrepreneurial Action and the Role of Uncertainty in the Theory of the Entrepreneur", *Academy of Management Review*, 31(1), 132-152.
- Other references will be delivered or announced in the class.
- **Important Notice:** All the instruction materials must be **legal copies**. Please respect copyright.

Course Arrangement and Requirement:

- Students are expected to form into groups for pre-class case discussion, homework assignment, case contest, and to work on a term project. Each team member should contribute equally to the group. Your final grade in this area will also be based on peer evaluations from your team members.
- This course will run mainly in case discussion format. You are expected to be prepared and participate in class discussion. **Do not come to class unprepared.**
- A term project will be assigned at the beginning of semester, which contains three portions: proposal presentation, final presentation, and final report.
- Cases in various perspectives are assigned as in-class lecturing material. As well, textbooks are assigned for references. Referring the cases to the textbook is highly recommended. Pre-reading prior to the class will be much helpful for participation. You are welcome to discuss with lecturer for all the materials related to the subject.
- A research-based term paper will be assigned to the PhD students.

Grading Policy:

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|--------------------------|-----|--------------------|
| • In-class participation | 30% | (individual-based) |
| • Homework assignment | 20% | (team-based) |
| • Case contest | 10% | (individual-based) |
| • Term project | 40% | (team-based) |

Class Schedule: (The schedule is subject to change with prior announcement)

CLASS	DATE	TOPIC	PRE-READINGS
1		Course overview	
2		Fundamental of Entrepreneurial Management Introduction to the course and term project assignment (grouping)	
3		The Business Planning Process The Business Canvas How Venture Capitalists Evaluate Potential Venture Opportunities	Chapter 7 & 9
4		【Entrepreneurial Process】 Ivey Case: <i>Uncertainty and Entrepreneurial Action at Readeo.com</i> Topics: The business canvas practices; opportunity recognition	Chapter 2 Case# 9B12M072
5		【Entrepreneurial Marketing】 Ivey Case: <i>Groupon</i> Topics: Customer segments; channels; customer relationships	Chapter 5 Case# 9B12M004
6		Term Project Practice/Presentation/Discussion: - Present the business canvas - Present hypotheses for each of the nine parts of the business model - Come up with ways to test the hypotheses - What is your value proposition? Activities before next presentation: - Get out of the building and talk to as many people as you can (at least 15 customers) face-to-face, also follow up with Survey Monkey (or similar service) to get more data - What were your value proposition hypotheses? - What did you discover from customers? - Market size estimates - Whether a business worth pursuing? How to pivot on?	
7		【Entrepreneurial Operation】 HBR Case Study: <i>The Mission Versus the Bottom Line</i>	

8	<p>Term Project Practice/Presentation(10min/team)/Discussion:</p> <ul style="list-style-type: none"> - Slide 1: Cover slide with your company name - Slide 2: Current business model canvas with any changes marked - Slide 3...n: What did you learn about your value proposition from talking to your first customers? - Slide n+1: Hypothesis - Here is what we thought - Slide n+2: Experiments - So here is what we did - Slide n+3: Results - So here is what we found - Slide n+4: Iterate - So here is what we are going to do next <p>Activities before next presentation:</p> <ul style="list-style-type: none"> - Get out of the building and talk to potential channel partners fact-to-face - What were your hypotheses about who/what your channel would be? Did you learn anything different? - Present and explain your marketing campaign. How will you get customers? - What is your revenue model? What type of revenue streams are there? What are pricing tactics? - Did anything change about your value proposition? 	
9	<p>【Growing Businesses and Review】</p> <p>HBR Case Study: <i>In Search of a Second Act</i></p>	
10	<p>Guest Speech:</p> <p>Volker Heistermann, Managing Director, Yushan Venture, Ltd. (Inviting, TBD)</p>	
11	<p>Guest Speech:</p> <p>Ian Huang, Assistant Vice President, Trinity Investment Co. (Inviting, TBD)</p>	
12	<p>Term Project Practice/Presentation(10min/team)/Discussion:</p> <ul style="list-style-type: none"> - Slide 1: Cover slide with your company name - Slide 2: Current business model canvas with any changes marked - Slide 3...n: What did you learn about your value proposition from last exercises? - Slide n+1: Hypothesis - Here is what we thought - Slide n+2: Experiments - So here is what we did - Slide n+3: Results - So here is what we found - Slide n+4: Iterate - So here is what we are going to do next <p>Activities before next presentation (12/31):</p> <ul style="list-style-type: none"> - What partners will you need? Why do you need them and what are risks? Why will they partner with you? What is the cost of the partnership? What are the benefits for an exclusive partnership? - What are the key activities need to fulfill your value proposition? - What are the key resources need to fulfill your value proposition? - Roll up all the costs from partners, resources and activities in a spreadsheet by time 	
13	<p>【Entrepreneurial Finance】</p> <p>Harvard Case: <i>Nantucket Nectars</i></p>	Case# 9-898-171

14	Case Contest (Class time: 9:10-13:00)	
15	Class Suspend for project preparation (recover on week 14, 16 and 17)	
16	<p>(Class time: 9:10-13:00)</p> <p>Team Presentations of Lessons Learned</p> <p>Deliverable 1: <u>Each team will present a 30-minute “lessons learned” presentation about their business.</u></p> <ul style="list-style-type: none"> - Slide 1: Team name, with a few lines of what your initial idea was and the size of the opportunity. - Slide 2: Name, background, expertise and role for each team member. - Slide 3: Business Model Canvas Version 1. “Here was our original idea.” - Slide 4: “So here’s what we did” (explain how you got out of the building) - Slide 5: “So here’s what we found” (what was reality), so then, ... - Slide 6: Business Model Canvas Version 2. “We iterated or pivoted ...”; explain why and what you found. - Slide 7: “So here’s what we did” (explain how you got out of the building) - Slide 8: “So here’s what we found” (what was reality), so then, ... - Slide 9: Business Model Canvas Version 3. “We iterated or pivoted ...”; explain why and what you found. - Slide 10: “So here’s where we ended up.” Talk about: <ul style="list-style-type: none"> • What you learned • Whether you think this a viable business • Whether you want to pursue it after the class, etc. <p>Deliverable 2: <u>Wrap up your final business idea into a business plan (due at the beginning of this class)</u></p>	
17	<p>(Class time: 9:10-13:00)</p> <p>Business Plan Evaluation</p> <p>Course wrap-up</p>	Business Plan
18	Final week	

Course Policies:

1. Assignment and Grading:

- All assignments must be submitted to the Moodle.
- Assignment is due exactly at the prescribed time (Moodle features timestamp). **No late assignment is accepted.**
- Any questions or complaints regarding the grading of an assignment or report must be raised **within one week** after the score is made available.
- All assignments and reports should be **your original work/concept**.

2. Attendance:

- You have to sign the attendance sheet when enter the classroom.
- If you sign for other students or do not sign on the attendance sheet, you will be regarded as “being absent” no matter what evidence you provide to the lecturer afterwards.
- If you come in class late or leave early, your attendance counts a half only.

- There is no need for you to ask for apology when you are absent from class.
 - Student leave (whether casual or sick leave) **exceed one third (1/3)** of the total lecture hours in the semester will automatically results **FAIL** in the final grade.
3. Penalty for cheating and plagiarism will be extremely severe. Use your best judgment. If you are not sure about certain activities, consult the instructor. **Standard academic honesty procedure will be followed and active cheating and/or plagiarism automatically results FAIL in the final grade.**
 4. You are expected to come fully prepared to every class and responsible for everything discussed in class. Note your attendance and participation counts. You may receive a zero for absence or lack of participation.
 5. **The laptop usage is prohibited in this class unless instructor request for lecturing purpose.**
 6. Pay very careful attention to your e-mail correspondence. It reflects your communication skills. Avoid use non-standard English such as "how r u?" in your e-mail message. In addition, it is recommended to indicate the class number and a brief summary of your question in the e-mail subject. For example,
Subject: RA73600 - A question on homework
 7. I immediately discard anonymous e-mails.
 8. The ringing, beeping, buzzing of cell phones and/or watches during class time is extremely rude and disruptive to your fellow students and to the class flow. Please turn all cell phones and watches off or into silent mode prior to the start of class.
 9. For any disability accommodations needed for the course, please do not hesitate to notify the instructor for assistance.
 10. Information on this syllabus is subject to change with prior announcement.