

## **ENT 460: Creating the Enterprise**

Tu/Thurs 3:30-4:45 pm; Bloch Rm 8  
(Section 23916) Spring 2009

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Office hrs (Rm 233): Tu 6-7 pm; Wed 9-10 am; or by appointment

I encourage you to come to office hours if you have questions or would like to talk outside of class for any reason. I have set aside this time to be available to you - If neither time works, I am happy to set up appointments to meet with you.

This course is designed to help build the skills you need to create your own enterprise, manage a new business or work within an entrepreneurial organization. In this course, we will learn how to think about business ideas within broader markets and industries, how to build and navigate your business model, and how to think about strategy, marketing, finances and legal arrangements in the entrepreneurial perspective.

You will be part of a team that puts together a business plan. You will work through individual and group assignments that apply what you learn from the book and course lectures.

\*\*\*All teams are required to submit their plans to the 2009 Regnier Family Foundations Venture Creation Challenge (RFF VCC). Failure to participate in this competition will result in a failing grade for this course.\*\*\*

Prerequisites: ACCTNG 211, FIN 325 or BUS-ADM 325, MKT 324 or BUS-ADM 324, MGT 330 or BMA 305, and DSOM 326 or BA 426.

### **LEARNING OBJECTIVES**

- To understand the core elements of a business plan and how to approach them
- To strengthen your own technical writing skills
- To learn the purpose, components and requirements of a strong business plan
- To apply what you learn in other classes (eg., finance, marketing and accounting) with an entrepreneurial perspective

### **REQUIRED READINGS**

Entrepreneurship: Successfully Launching New Ventures

Bruce Barringer, Duane Ireland (Prentice Hall 2004)

The required reading can be ordered online and is not in the university bookstore. You may buy any edition of the book, but 2004 is preferred. You will also receive additional required reading for some sessions (sample business plans). These will be posted on Blackboard or distributed 2 sessions prior to discussion.

We will be using resources and worksheets from two excellent websites for new business owners and interested potential entrepreneurs. It is a good idea to start familiarizing yourself with these websites as early in the semester as possible.

(1) The Small Business Administration (SBA) <http://www.sba.gov>

(2) SCORE <http://www.score.org>

### **COURSE EVALUATION**

Class participation	10 points
Concept summaries	20 points
Pitch	10 points
Resource summary	10 points
Group presentation	20 points
Business plan	30 points
<i>Total</i>	100 points

Your point total will be used to determine letter grades along the following system:

93 and above	A
90-92	A-
88-89	B+
83-87	B
80-82	B-
78-79	C+
73-77	C
70-72	C-
60-69	D
59 and below	F

**\*\*You are required to participate in the RFF VCC 2009 challenge. The deadline for your concept summaries is 2/26 at 12 pm. Failure to do so will result in an F for the course.\*\***

Writing is a critical part of all business activities – both inside and outside the classroom. You will note that writing has been allotted a substantial part of the points for each assignment. Across all assignments, “writing” consistently means:

- Grammar; spelling; editing; word choice
- Consistency of tenses (active vs. passive)
- Sentence construction
- Organization of thought; flow of ideas

*Class participation* Individual grade: 10 points. This includes your attendance and participation in class activities and discussion. This also includes *peer reviews* from your business plan team. At the end of the semester, each person will submit a brief summary of the division of labor during teamwork. These evaluations will be confidential and will be considered in your score for class participation.

*Concept summary* Team grade: 20 points. This is a group assignment. Each team will prepare a concept summary about their business idea (for submission to

the RFF VCC on 2/26 by noon).  
Additional guidelines will be provided in class.

*Elevator pitch* Individual grade: 10 points. This is an individual exercise.  
Grading components (*detailed rubrics and guidelines are posted on BB*):  
Demonstration of opportunity (4 pts)  
Key parts of process (4 pts)  
Presentation skills (2 pts)

*Resource summary* Individual grade: 10 points. This is an individual exercise. Prepare a 2 page summary of *local, state, or national* resources available to fund or support your business idea. You should select one funding resource and discuss why it is appropriate for your idea. If your team has been invited to submit to the RFF VCC, then you may use that as your funding opportunity.  
Grading components (*detailed rubrics and guidelines are posted on BB*):  
Writing (3 pts)  
Discussion of funding opportunity (3 pts)  
Discussion of your concept and relevance of opportunity (4 pts)

*Group presentation* Group grade: 20 points. This is a group assignment. You should treat this as a presentation you might make to potential funders – prepare ahead of time, dress appropriately, prepare professional presentation materials, etc. Each team will have a total of 30 minutes (20 minutes to present; 10 minutes for questions).  
Grading components (*detailed rubrics and guidelines are posted on BB*):  
Ability to convincingly demonstrate the opportunity (4 pts)  
Clear communication of key parts of the plan (8 pts)  
Ability to answer questions/defend plan (4 pts)  
General presentation skills (4 pts)

*Business plan* Group grade: 30 points. This is a group assignment. You will put together a full-length business plan. I have provided a template and worksheets on BB, but you will have to decide what is relevant for your group.  
Grading components (*detailed rubrics and guidelines are posted on BB*):  
Writing (5 pts)  
Content (25 pts)

See attached sheet “Grading Details” for more on the assignments

## **CLASS RULES**

(1) *Class environment*: This course is designed to encourage active discussion and participation from everybody. You are expected to speak politely, wait your turn to speak, and treat your peers with respect.

(2) *Late assignments*: All assignments are due at the start of class on Tuesday. Late assignments will be penalized 2 points for every additional day, beginning with the due date. You can always submit assignments electronically before the due date.

(3) *Attendance*: You are responsible for attending class regularly and keeping up with course assignments, readings and exercises. Please note that I will call on people during lectures and discussions.

(4) *Keeping up with coursework*: This course will go fast, particularly because you have already finished your content courses. You are expected to have working knowledge of the fundamentals, like accounting and finance, and I will not re-teach anything.

If you are having trouble with the class, or you feel that you need to strengthen a particular skill, you should see me to discuss this as early as possible – note that your final business plans are due on April 20, before the end of the semester.

I am happy to work with you outside of class, put together supplemental reading or practice exercises, etc. Please come to office hours or email/call me to set up an appointment.

(5) *Honor code*: Plagiarism on any assignment will result in a 0 for the assignment and referral to the appropriate university department.

### **UNIVERSITY POLICIES**

The university code of student rights and responsibilities establishes rights to which the student is entitled and responsibilities that the student must assume. Along with preparing for and attending class, each student has the responsibility of promoting high academic standards. The Bloch School supports the University policy on academic dishonesty. Academic dishonesty includes: (a) cheating, (b) fabrications and falsifications, (c) multiple submissions, (d) plagiarism, (e) complicity in academic dishonesty. Proven cases of academic dishonesty will result in the student being dismissed from the College. Inappropriate classroom behavior may result in the student being withdrawn from the class. For additional information, please consult the handbook.

**WEEKLY SCHEDULE:** All assignments are due at the *start* of class on Tuesday. Readings should be completed before the listed days.

Week 1

1/13: Introduction

1/15: What is entrepreneurship? Why do it?

Week 2

1/20: Team selection

*READING: Barringer & Ireland Chapter 1*

1/22: Idea development

*READING: Barringer & Ireland Ch 2.*

Week 3

1/27: What are the parts of a business plan?

*READING: Handout "Business Plan Format" (posted on BB)*

1/29: Writing workshop – practice with feasibility analysis

*READING: Barringer & Ireland Ch 3.*

Week 4

2/3: Idea development – business models

*READING: Barringer & Ireland Ch 5.*

2/5: Market analysis

*READING: Barringer & Ireland Ch 4.*

Week 5

2/10: Company/product

*READING: The Art of the Start by Guy Kawasaki, Ch 2 (to be distributed in class)*

2/12: Marketing

*READING: Barringer & Ireland Ch. 11*

Week 6

2/17: Team

*READING: Barringer & Ireland Ch 6.*

*Speaker: Megan and Colby Garrelts, owners of Bluestem ([www.bluestemkc.com](http://www.bluestemkc.com))*

2/19: Operations and development

*READING: Barringer and Ireland pgs 385-392: "Hotmail: Delivering E-mail to the World".*  
*\*\*See me if your edition does not have this case\*\**

### Week 7

2/24: What does comprehensive planning entail?

*READING: Case study 1 (link posted on BB)*

2/26: **Pitches**

**\*\*\* Concept summaries for the RFF VCC are due by 12 pm on 2/26\*\*\***

### Week 8

3/3: **Pitches**

3/5: Writing workshop

*READING: Case study 2 (link posted on BB)*

### Week 9

3/10: Principles of finance – how do they apply to new ventures?

*READING: Barringer & Ireland Ch 7.*

*Speaker – Phil Needles*

3/12: Principles of finance – continued. *Speaker – Phil Needles*

### Week 10

3/17: Teams work on plans

*READING: Barringer and Ireland Ch. 9*

3/19: Teams work on plans

### Week 11 (3/24; 3/26)

*Spring break – no classes*

### Week 12

3/31: Funding and resources – local; state; national; public vs. private

*READING: Handout "Understanding funding resources" (posted on BB)*

4/2: Funding and resources – continued.

*READING: Barringer & Ireland, Ch 10*

### Week 13

4/7: Legal – organizational structures for new business

*READING: Barringer & Ireland, Ch 8*

4/9: Legal issues – protecting your business, ideas and products. *Speaker – TBA*

*READING: Barringer & Ireland, Ch 12*

*Speaker – TBA*

Week 14

4/14: Putting everything together; executive summary.

4/16: Teams work on plans.

**APRIL 20: FINAL BUSINESS PLANS DUE - Deadline for submission to RFF VCC**

Week 15

4/21: Ethics for entrepreneurs – expectations; common problems; creative license vs. lying

4/23: Ethics for entrepreneurs – continued. How do you deal with (il)legal and (un)ethical?  
*READING: Handout “Ethics for Entrepreneurs” (posted on BB)*

Week 16

4/28: What happens after you get funding? Growing your business  
*READING: Barringer & Ireland, Ch 13 and 14*

4/30: **Group presentations**

Week 17

5/5: **Group presentations**

5/7: **Group presentations**

## GRADING DETAILS

<i>Class participation</i>	Individual grade: 10 points. This includes your attendance and participation in class activities and discussion. This also includes <i>peer reviews</i> from your business plan team. At the end of the semester, each person will submit a brief summary of the division of labor during teamwork. These evaluations will be confidential and will be considered in your score for class participation.
<i>Concept summary</i>	Team grade: 20 points. This is a group assignment. Each team will prepare a concept summary about their business idea (for submission to the RFF VCC on 2/26 by noon). Additional guidelines will be provided in class.
<i>Elevator pitch</i>	Individual grade: 10 points. This is an individual exercise, and you will have 3 minutes to make your pitch. Grading components ( <i>also on BB</i> ): Demonstration of opportunity (4 pts): What is the opportunity? Why is it a good opportunity? What is the setting of your opportunity – industry, market, other firms, etc? Is there anything about your opportunity that makes it particularly attractive? Key parts of process (4 pts): Summarize the key elements of what you will undertake. You will have to use your judgment on what is most important to convey. What are the key details about your product or service? What is your marketing approach? What is noteworthy or credible about your team? What kind of financials are you looking at? Presentation skills (2 pts): Do you present the information clearly and in a manner that is easy for the audience to understand? General presentation skills – eye contact, confidence, keep the audience engaged.
<i>Resource summary</i>	Individual grade: 10 points. This is an individual exercise. Prepare a 2 page summary of <i>local, state, or national</i> resources available to fund or support your business idea. You should select one funding resource and discuss why it is appropriate for your idea. If your team has been invited to submit to the RFF VCC, then you may use that as your funding opportunity, but you should follow the same guidelines. Grading components ( <i>also on BB</i> ): Writing (3 pts): Grammar, diction, sentence construction and consistent tenses; organization of thought. Discussion of funding opportunity (3 pts): What is your funding opportunity? Describe the key details about this opportunity. What other opportunities are available? Discussion of your concept and relevance of opportunity (4 pts): How is this funding opportunity relevant to your idea? What parts of your idea are consistent with this opportunity – and what parts of your idea are not? In your industry or topic area, how does this funding opportunity rate against other opportunities? Is there anything you can do to better align your idea with this funding opportunity?
<i>Group presentation</i>	Group grade: 20 points. This is a group assignment. Presenting your business plan is a key part of the comprehensive process – and sometimes, your best opportunity to engage and hold the attention of funders. Treat this as a practice session for a real presentation that you will make at some point in the future – dress professionally, demonstrate openness, speak with authority, and make sure your information is thorough. You will need to decide how to structure and design your presentation – will one person present or will everybody present some part? Some things will be more relevant than others – for example, you may need to provide more or less information depending on the level of

technical detail of your product. You should also pay attention to your presentation materials and style – what is the best way to communicate your content to the audience?

Each team will have a total of 30 minutes (20 minutes to present; 10 minutes for questions). Grading components (*also on BB*):

Ability to convincingly demonstrate the opportunity and your company/product relevance (4 pts): Have you convincingly argued that this is a good opportunity? Have you discussed why this opportunity exists (i.e., why other people have not captured it, or why it came about, if it is a new opportunity)? Have you placed your opportunity in the context of other opportunities? Have you connected your idea as the “answer” to this opportunity (if there are many possible ideas that can fit this opportunity, then you should address why yours is the best one)?

Communication of key parts of the plan (8 pts total): Are the major sections of your plan clear? Marketing (2 pts); Team (2 pts); Operations and Development (2 pts); Financial (2 pts)

Ability to answer questions/defend plan (4 pts total): Can you defend your plan (2 pts)? How well do you know details when further information is requested (2 pts)?

General presentation skills (4 pts): Does the team work well together?

### *Business plan*

Group grade: 30 points. This is a group assignment. You will put together a full-length business plan. I have provided a template and worksheets on BB, but you will have to decide what is relevant for your group. Remember to ask yourself what the funder needs to know – what is absolutely necessary, what is supplemental, and what is unimportant. This will help you determine how to manage content while writing your plan. Grading components (*also on BB*):

Writing (5 pts): Grammar, diction, sentence construction and consistent tenses; organization of thought.

Content (25 pts total): Does your plan communicate the appropriate details for its sections? *See document on BB “Detailed Business Format and Notes”*. Point distribution by section: Executive summary (3 pts); Market analysis (3 pts); Company/product (4 pts); Marketing plan (4 pts); Team (3 pts); Operations and development (4 pts); Financial (4 pts)