**ENT 215/315: Introduction to Entrepreneurship**
**Fall 2010**
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Welcome to ENT 215/315 – Introduction to Entrepreneurship. The course goal is to help you develop insights on what it takes to start a successful business. It may be a high-potential venture aiming to produce millions in profits, or a one-person lifestyle business, or a social enterprise aiming to solve societal problems. Our primary focus will be on opportunity identification and evaluation: Where do business ideas come from? How do you recognize a good business idea? How can a so-so idea be improved to be a good opportunity?

We will focus on five characteristics of a good entrepreneurial opportunity:

- Creating significant customer value
- Profit potential
- Founder and team fit with the business
- Profit durability
- Amenability to financing

This class will entail a mix of lectures, visits from local entrepreneurs, videos, and experiential exercises including case studies and interactive business simulations. You'll also collaborate in a small team to develop a proposal for a new venture.

## Instructor Background

- BA in biology from University of Pennsylvania, MBA from Harvard Business School.
- First career in publishing and data conversion primarily at start-ups.
- Second career in financial services, mainly corporate internal start-ups and turnarounds.
- Third career in academia. I received my Ph.D. from the University of Minnesota, where I taught Business Formation, Corporate Venturing, Managing Growth, and Managing Innovation. At UMKC, I teach undergrad and MBA introductory entrepreneurship classes. My research examines risk-based decision making, venture capital, organizational learning and entrepreneurial innovation.

## Contact Information & Course Communication

- Email: pavonec@umkc.edu Phone: 612-670-7293 (cell) Office: Bloch 204
- Office hours: the hour after class and after class, or by appointment

Written communication will be via e-mail and Blackboard – *no paper*. The class Blackboard site will include lecture slides, assignments, announcements, internet links, etc. You will submit assignments and receive grades/feedback via Blackboard. *I do not accept hard copy.*

**Required Course Materials:**

BOTH of the following items are REQUIRED. In addition, you will access free online material.

ENT 215/315 VIRTUAL Course Packet. This is the equivalent of a text book only much cheaper. Ordering information is at this link: http://cb.hbsp.harvard.edu/cb/access/6176789

GoVenture "Small Business" Simulation. Ordering information is at this link: www.goventure.net/buy

**Grading:**

This class will be graded on a modified curve. The target average for this class will be about B. Depending on how the cumulative assignment scores cluster and the overall quality of the work, the breakout will be approximately:

| | | | | | |
|---|---|---|---|---|---|
| A: | 10% | B+: | 15% | C+: | 15% |
| A-: | 15% | B: | 20% | C: | 5-10% |
| | | B-: | 15% | C-: | 0-5% |

D+ or less: If assignments are missing, are generally of poor quality, or you cheat/plagiarize.

**Expectations: Attendance + Preparation + Participation + Honest Work = Learning**

*Attendance*

- You are expected to attend every class. *Each unexcused absence will result in a deduction from your course grade*. If you are more than 15 minutes late, it will be counted as an absence.

*Preparation*

- You are expected to complete the assignments and readings prior to each class.
- Online quizzes will *not* be accepted after the start of class on their due date.
- Other late assignments will be downgraded for each day they are late. No late assignments will be accepted more than one week after they are due.

*Class Participation*

- You will learn more if you actively participate. I reserve the right to cold-call anyone in class.
- If you are obviously not prepared or engage in inappropriate behavior, your grade will be reduced

*Honest Work*

- Individual assignments should be done independently. Please don't cheat on the tests (duh!). Plagiarism, collusion and cheating will result in referral to UMKC's disciplinary process

**Course Outline**
**(Check Blackboard for details)**

*Week 1*
**The entrepreneurial process**
- Experiential exercise
- Course overview

*Week 2*
**Origins and anatomy of opportunities**
- Where do opportunities come from?
- Characteristics of a good opportunity

*Week 3*
**Customer value (part 1)**
- Customer roles
- Customer purchase decision criteria

*Week 4*
**Customer value (part 2)**
- Niche vs. mass market
- Innovation

*Week 5*
**In-class simulation**
- "Small Business" game

*Week 6*
**Profit potential (part 1)**
- Break-even
- Cash flow

*Week 7*
**Profit potential (part 2)**
- Market potential
- Business models

*Week 8*
**Review and midterm**

*Week 9*
**Founder and team fit (part 1)**
- Characteristics of entrepreneurs
- Recruiting & selection

*Week 10*
**Founder and team fit (part 2)**
- Social capital
- Impression management

*Week 11*
**Profit durability (part 1)**
- Competitive advantage (5 Forces)

*Week 12*
**Profit durability (part 2)**
- Legal issues for start-ups

*Week 13*
**Financing (part 1)**
- Bootstrapping
- FF&F
- Debt

*Week 14*
**Financing (part 2)**
- Angel investors
- Venture capital

*Week 15*
**In-class simulation+ review**
- "Small Business" game
- Review for final exam

*Finals Week*
**Final exam**

**Assignments and Grading Details**

*Blackboard quizzes*
There will be 10 quizzes on class readings. Each quiz is open-book and must be completed in one attempt. Each quiz is worth 2% of your final score. Total weight: 20%

*At-Home Simulations*
Throughout the course, you will use the Small Business simulation to "run" a retail business. You will submit 2 reflections on the strategies you used to achieve your simulation goals, each worth 10% of your total score. Total weight: 20%

*Case Analyses*
You will submit two case analyses, each worth 10% of your total score. Total weight: 20%.

*Business proposal*
As part of a small team of 2-3 people, you will develop a proposal for a new business. The first part will be a description of your product/service and how you are providing significant value to your target customer. The second part will address profit potential, founder/team fit, profit durability and financing. Each part of the business proposal is worth 10%. Total weight: 20%.

*Exams*
The midterm will cover the first half of the course and is worth 10% of your total score.
The final will cover concepts from the second half of the course and is worth 10% of your total score.
Total weight: 20%.

*In-Class Simulations*
There will be two in-class simulations. In the second simulation, teams will be ranked by their performance scores. The top team will be guaranteed 100% on the final exam. 2nd-place team will be guaranteed 95%. 3rd-place guarantee will be 90%. 4th-place guarantee will be 85%. 5th-place guarantee will be 80%. If you take the final, I will take the better of your exam score or the guarantee.

*Unexcused absences and other causes for grade deductions*
Each unexcused absence or instances of obvious lack of preparation and/or inappropriate behavior will result in a deduction of 2% from your course score. ***BE CAREFUL – THIS CAN ADD UP!!!***

*Final score calculation*

| | |
|---|---|
| 10 quizzes @ 2% | = 20% |
| 2 at-home simulations @10% | = 20% |
| 2 case analyses @ 10% | = 20% |
| 2 parts of proposal @10% | = 20% |
| 2 exams@10% | = 20% |
| Total raw score | =100% |

*(Will be REDUCED 2 points for each unexcused absence)*

*Final grade*
The total absence-adjusted scores will be translated into final grades using the curved distribution described earlier. Your individual score cannot be automatically translated into a grade without knowing how you are doing relative to the rest of the class. I will provide your interim grade after the midterm.

*Grade Improvement Opportunities*
After the middle of the semester, I will announce opportunities to improve your grade. Additional information will be provided in class and on Blackboard.