**ENT 3024 – 001**

**89260**

**Entrepreneurship**

**Spring 2014**

**College of Education Bldg. (Boca) Room 116**

**Thursday 7:10 pm – 10:00 pm**

**Professor Information**

Instructor: Kevin C. Cox

E-mail: Kcox24@fau.edu

Phone: 561-313-6992

**Office Hours**

Thursday 3:00-7:00 pm (or by appointment)

# Required Resources and Materials

• Computer and Internet Access.

• “Lean Launchpad.” This free, online course on how to build a startup will form an integral part of our classroom course. Register for the Lean Launchpad course as a student at [www.udacity.com/course/ep245](http://www.udacity.com/course/ep245)

• Instructor-Provided Materials. Available on Blackboard.

• Google Drive. You will need to store assignments on Google Drive and share those files with the instructor. Perhaps the easiest way to set this up is as follows.

o Go to www.drive.google.com.

o Sign in by entering your FAU email address (no password is needed yet).

o Log on through FAU as you normally would in the page that appears.

o Follow the instructions for setting yourself up with Google Drive.

o Create a folder within Google Drive for the items to be shared with the instructor, and label it “ENT 4024 –(your name).”

o Give the instructor (kcox24@fau.edu ) access to that folder.

o Move items to that folder as needed, or create and edit them within that folder.

**Additional Course Material**

Blank, Steve, and Dorf, Bob. (B&D) 2012. *The Startup Owner's Manual: The Step-By-Step Guide for Building a Great Company.* Pescadero, CA: K&S Ranch.

Osterwalder, Alexander, and Pigneur, Yves. (O&P) 2010. *Business Model Generation: A Handbook for Visionaries, Game Changers, and Challengers.* Hoboken, NJ: John Wiley & Sons.

**Course Description**

Introduction to the major concepts and fundamental principles for starting a new business. Emphasis will be placed on customer development, business model validation, and problems during the initiation stage.

**Course Prerequisites and Credit Hours and Class Time Commitments**

Junior standing.

According to Florida State Statute 6A-10.033, students must spend a minimum 2,250 minutes (37.5 hours) of in class time during a 3-credit course. Additionally, students enrolled in a 3-credit course are expected to spend a minimum of 4,500 minutes (75 hours) of out-of-class-time specifically working on course-related activities (i.e., reading assigned pieces, completing homework, preparing for assignments and other assessments, reviewing class notes, etc.) and fulfilling any other class activities or duties as required.

**Course Learning Objectives**

• Develop an understanding of important business issues as they relate to new ventures

• Identify, appreciate and assess the knowledge, attitudes, and skills of an entrepreneur

• Demonstrate the ability to prepare a coherent business plan

• Identify the essential steps necessary to create and operate a small business enterprise

• Be familiar with the fundamental financial requirements and competencies for small business startups

**Web Resources**

[www.udacity.com/course/ep245](http://www.udacity.com/course/ep245)

<http://www.sba.gov/>

<http://www.score.org/>

<http://www.bplans.com/>

<http://www.entrepreneur.com/>

<http://www.nfib.com>

**Grading Scale**

A 93+ C 73-76.99

A- 90-92.99 C- 70-72.99

B+ 87-89.99 D+ 67-69.99

B 83-86.99 D 63-66.99

B- 80-82.99 D- 60-62.99

C+ 77-79.99 F below 59.99

**Course Evaluation Method**

The specific assignments and grade proportions are as follows:

|  |  |
| --- | --- |
| ***Activity*** | ***Points*** |
| Lean Launchpad Certification | 20 |
| External Contacts Log | 20 |
| Business Model Development Report | 25 |
| Lesson Learned Presentations | 20 |
| Elevator Pitch | 5 |
| Video Pitch | 5 |
| Attendance/Participation | 5 |
| **Total Points Available** | 100 |

**Lean Launchpad Certification (20pts):**

As soon as possible, you should register for the Lean Launchpad course at www.udacity.com/course/ep245. If you see different registration options (e.g., observer, student, etc.), make sure you ***register as a student.*** Then, when you complete this free, online course, you will get a certificate from the Udacity organization. Show this certificate to the instructor in order to get the points associated with that activity.

Once you have registered with Udacity, you can start taking the Lean Launchpad course. This involves watching video online, and periodically providing answers to questions that are asked. To receive your certificate at the end, you will need to answer all questions correctly. You should not have a problem with that because, if you answer a question incorrectly, you can watch the video again, and then provide the correct answer. Note that other activities on which you will be graded (e.g., “Lesson Learned Presentations”) are related to this Lean Launchpad course. Keep that in mind if you are tempted to look for ways to cut corners because, though you may figure out an easier way to get credit for taking the Lean Launchpad course, you may end up losing more than you gain if it turns out

**External Contacts Log (20pts):**

A basic premise of this course is that the best way to develop a business model is to talk to people associated with the various components of the model. E.g., instead of guessing that there are potential customers who will like the product or service you intend to offer, you should ask some potential customers what they really want. Consequently, you should talk to at least ten potential customers or partners (suppliers, distributors, etc.) after each lesson about the business model component(s) and related issues addressed in that lesson. Each person you talk to will be one of your external contacts, which you will note in an “External Contacts Log” that the instructor will review periodically.

You will receive one percent of the points allocated to this activity for each valid contact, up to 100 percent and subject to the following. If you do not have at least ten contacts listed for a given lesson, you will lose two percent for each listing less than ten. (Note that there are only eight lessons, so to get 100 percent credit, you will have to average more than ten contacts per lesson, even without any deductions.)

The instructor will give you a form to use for your External Contacts Log. To receive credit for this activity, you must use that form and enable the instructor to access it on Google Drive. **Use the same file for all log entries**. E.g., add entries for Lesson 2 to the same form you filled out with Lesson 1 entries. (The date and lesson numbers will indicate that they are new entries for Lesson 2, not the earlier ones for Lesson 1.) Make sure you fill out the External Contacts form completely for each contact.

Also, if you are working with others as a team to develop your business model, each team member must maintain a separate External Contacts Log. Moreover, each team member must list different contacts from the other team members, and each team member will be graded separately according to the criteria outlined here. Since this is an individual assignment, each team member will be graded solely on the contacts in his/her log. E.g., one team member with sufficient contacts may receive 100% of the points, while another receives only 50%.

**Business Model Development Report (25pts):**

As explained in the Lean Launchpad course activity, you will be working throughout the term to develop a business model with a high likelihood of success. Your initial model will consist of guesses you make about product features, marketing channels, customer segments, etc. As you make various external contacts throughout the term, you will gain insights that corroborate, refute, or suggest modification of your initial guesses. Then you will revise your business model accordingly, and the revision should have a greater chance of success than the previous versions.

Your Business Model Development Report will show how the business model evolved throughout the term. The business model should contain details falling into the nine categories described in the Lean Launchpad course. For examples, google “business model canvas.”

The report should include your initial business model with your initial guesses, plus at least three revisions. Normally, each of these four versions of your model would be laid out on a separate business model canvas, on a separate page of your report. In addition, your report should include the following items.

• Market size estimate (see Lesson 1.5)

• MVP description (see Lesson 2)

• Customer archetype description (see Lesson 3)

• Channel diagram & economics (see Lesson 4)

• Customer acquisition cost and customer lifetime value (see Lesson 5)

Start with a brief overview of the business idea you had that led to the initial model. Then, explain the guesses you made in each of the nine categories of that initial model. (E.g., give a one-paragraph explanation for each category.) For each revision, indicate changes from the previous version in red on the corresponding business model canvas. Then in the text, explain each change and why you made the change. Discuss what you learned from your external contacts that led to the particular change. Weave in each of the lesson-specific items listed above where relevant. E.g., if you defined your Minimum Viable Product (MVP) after your initial model but before the first revision, describe the MVP as you discuss changes leading to that first revision. After you discuss your final model for the term in this manner, add a conclusion where you explain which model categories you feel pretty certain about, and discuss others for which you would like to get additional information.

For this activity, you may choose to work with others on the development of a business model, in a team of no more than three students. All team members will then be graded as a team on this Business Model Development Report, the various Lesson Learned Presentations, and the Video Pitch, assuming of course that they all contributed their fair share. Thus, only one person per team should submit those assignments.

However, the names of all team members who contributed should be listed on those assignments so that they can get credit. (Note that the External Contacts Log and Elevator Pitch are individual assignments even if those others are done in teams.)

**Lessons Learned Presentations (LLPs) (20pts):**

In each of ten classes, your team will give presentations that are summaries of the team’s findings during the past week. Organize your presentations as follows.

• ***Slide 1***. Cover slide (team name, team members/roles, number of customers or partners

 spoken with, nature of the business being developed)

• ***Slide 2***. Updated business model canvas

• ***Slide 3***. What did you learn about the lesson topic for that day (Canvas block X)?

• Hypothesis: Here is what we thought

• Experiments: So here’s what we did

• Results: And here’s what we found

• Iterate: So here’s what we will do next

• ***Slide 4*.** Diagram (if appropriate) of what you learned this week (e.g., customer workflow, payment flows, distribution channel program)

**Elevator Pitch (5pts):**

In class, you will give a two-minute (maximum) “Elevator Pitch” for your business venture.

This will be a completely verbal presentation, with no visual aids. In developing your elevator pitch, make sure you spell out the following.

• **Value proposition**. Provide a clear and concise description of who the customers are and how they will benefit from your products and services.

• **Exemplars**. Describe your business model and offerings using examples of other firms doing similar things, even if those firms are in other industries.

• **Competitive differentiation**. Explain why you believe customers will buy from you instead of from competitors. If you are offering a brand new product or service, your competitors are firms meeting similar customer needs some other way. Explain why your way is better.

You should memorize the basic points you want to make, and then make the presentation without using notes. After all, you may not have any notes with you when, by chance, you bump into a potential investor in an elevator. Though you should memorize the basic points, you probably should not memorize your entire script. (Develop a good script, but don’t memorize it.)

Otherwise, your pitch may come across as being too mechanical.

**Video Pitch (5pts):**

As you are preparing your Elevator Pitch, think of how you could enhance it with visual aids or other video or audio effects. Then, create a two-minute video clip pitching your venture to potential investors. Think of this video as being analogous to a television commercial. If you could advertise for investors on television, what would your commercial be like?

The same guidelines for the Elevator Pitch apply here too (i.e., maximum of two-minutes, focus on benefits, use examples, and stress differentiation). The differences between the two assignments are that in this Video Pitch [a] you will be creating a video clip and [b] you are free to use (tasteful and legal) audio or video devices in that clip.

As with most other assignments, submit your Video Pitch by simply placing it in your Google Drive folder if it is not too large. Otherwise, upload it to YouTube, make sure it can be accessed, and send the link to the instructor (kcox24@fau.edu). Be creative!

**Attendance/Participation (5 pts):**

“Attendance” is defined as being engaged in classroom activities from the beginning to the end of the class period. (Keep that in mind if you tend to show up late, leave early, or focus on other things while there.) Your “Class Attendance” grade will reflect the proportion of classes you attend.

The crucial knowledge to take home with you from this class is the *process* of entrepreneurship. You must participate actively to gain valuable understanding of this process. By actively participating in class discussions, you will sharpen your own insights, and those of your classmates. Entrepreneurship is a creative process which requires a variety of ideas. There are hardly any bad ideas! Your creativity, idea generating, and voice are a valuable part of the process, and a valuable resource for the class. Participation will also be based on any small assignments throughout the semester.

**Additional Course Policies**

**Missing Exams**

There are no exams in this course.

**Late Assignments**

According to the university,

Students are responsible for arranging to make up work missed because of legitimate class absence, such as illness, family emergencies, military obligation, court-imposed legal obligations, or participation in University approved activities. Examples of University approved reasons for absences include participating on an athletic or scholastic team, musical and theatrical performances, and debate activities. It is the student's responsibility to give the instructor notice prior to any anticipated absence, and within a reasonable period of time after an unanticipated absence, ordinarily by the next scheduled class meeting. (Faculty Handbook, 2011)

In sum, late assignments will not be accepted barring extenuating circumstances.

**Assignment Submission and Deadlines**

Unless otherwise noted, written assignments are due *one hour before class begins.* Submit them by placing them in the Google Drive folder, which you will share with the instructor (kcox24@fau.edu ).

**Attendance Policy**

Attendance is required since participation requires preparation and subsequent attendance. Students are encouraged to participate in the discussions and are expected to help create a productive learning environment; this can only be done if the student shows up. Prepare by completing all reading assignments prior to class and by bringing the required readings/assignments to each class.

Attendance will be taken at the beginning of each class. If you know you will be late, contact me before class is scheduled to start so that I know and can count you in the attendance. Obviously it is better to show up late than not at all. I will also make notes of anyone who leaves class early (especially those who make a habit of leaving early).

\*\*Please note that any student not attending at least one of the first two classes will be administratively dropped from the course.

**Electronic Course Communication**

Email:

During the course of the semester, I will communicate with students via e-mail. All FAU students have FAU e-mail addresses and can go to http://myfau.fau.edu to check it. I will assume that any e-mail that I send to your FAU address is received. It is your responsibility to have a working FAU e-mail and check it regularly.

Black board:

Assignments, course documents, and PowerPoint presentations of class lectures will be posted on BlackBoard. It is expected that you will regularly check BlackBoard for these documents.

**Class Etiquette**

Make sure that your cell phone is turned off or to vibrate during class. It is understood that life often brings us challenges and emergencies, therefore, if you must use your phone during a regular class period, please leave the classroom discretely and without interruption. Any information missed will not be repeated. Please see a classmate after class to find out what you missed.

\*\*Any usage of cell phones or other communication devices during exams or quizzes is prohibited and will be considered cheating. Students will be held accountable to the University’s policy if such an occasion arises. See the honor code section below for more information.

Also, according to the student and faculty handbooks, everyone in class should act respectful at all times. We are all adults, and thus, will act accordingly. As students in the business school, I expect behavior suitable for any professional in the average office workplace. One of the greatest things about active participation is lively debate for the purpose of furthering everyone’s knowledge. However, this should be carried out in a respectable way. This respect should continue into group work as everyone will have ideas/opinions meant to produce the best end result possible.

**Honor Code**

* The University has an academic honor code (see http://www.fau.edu) as does the College of Business (see http://business.fau.edu). Please become familiar with both. Any violation shall result in disciplinary action as specified by the College and the University. Penalties may range from a grade of “F” in this course to dismissal from the University. In all instances, a letter of fact will be included in the student’s file. The following summary from the Catalog may help:

The following shall constitute academic irregularities:

* The use of notes, books, or assistance from or to other students while taking an examination or working on other assignments unless specifically authorized by the instructor – acts defined as cheating.
* The presentation of words or ideas from an existing source as one’s own – acts defined as plagiarism.
* Other activities that interfere with the educational mission within the classroom.

Consistent with FAU’s Honor Code, found in the University Catalog, your exams, your homework, and team reports must be solely your own work. Any attempt to represent the work of others as your own will be considered plagiarism. This includes lifting information off of the Internet without proper citation. Any student found to partake in any form of academic fraud (including, but not limited to: cheating on exams in any way, plagiarism, or submitting written work not exclusively the work of yourself or others on your team) will not only receive a grade of “F” in this class, but also will be reported to the school administrators in order to pursue sanctions beyond just this class. Penalties for academic offenses such as plagiarism and cheating may range from probation to expulsion.

Be aware that major assignments will be submitted through electronic plagiarism checks such as www.turnitin.com. This means that your assignment will be submitted to a common database and compared to all the other similarly submitted reports available on that database. Any idea that is quoted or borrowed from another source other than yourself or teammates **MUST** be cited.

**Course Outline:**

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| --- | --- | --- |
| **Date** | **Topic** | **Assignments1** |
| Jan 9 | Introduction, course overview, & syllabus | Review syllabus and participate in course discussion forum on blackboard. |
| Jan 16 | In person introductionsSpecial Topics discussionGeneral Course Issues | Register for Lean Launchpad course **as a student** |
| Jan 23 | Select Business Ideas/ Form TeamsBusiness Models and Customer DevelopmentSpecial Topic 1 | Complete Lesson 1 (including 1.5a and 1.5b).2Setup your Google drive folder shared with instructorSetup initial business model Hypotheses Read: B&D pp. 1-50, 51-84, 188-199, 457-459; O&P pp. 14-49, 86-111, 135-1453 |
| Jan 30 | Lessons Learned Presentations (LLPs)Value PropositionSpecial Topic 2 | **LLP; External Contacts Log:** At least 10 people for Lesson 1.5Complete Lesson 2B&D pp. 85-97, 112-125, 203-217, 218-221, 260-266; O&P146-150, 161-168, 200-211. |
| Feb 6 | LLPsCustomer SegmentsSpecial Topic 3 (SCORE+) | **LLP; External Contacts Log:** At least 10 people for Lesson 2.Complete Lesson 3Read: B&D pp. 98-111, 332-343, 406-412; O&P pp. 127-133. |
| Feb 13 | LLPsChannelsSpecial Topic 4 | **LLP; External Contacts Log:** At least 10 people for Lesson 3.Complete Lesson 4Read: B&D pp. 126-168, 296-351. |
| Feb 20 | LLPsCustomer Relationships Special Topic 5 (Adams center) | **LLP; External Contacts Log:** At least 10 people for Lesson 4.Complete Lesson 5Read: B&D pp. 180-188, 260-269, 438-456. |
| Feb 27 | LLPsRevenue Model Special Topic 6 | **LLP; External Contacts Log:** At least 10 people for Lesson 5.Complete Lesson 6Read: B&D pp. 176-179, 257-270, 429-459. |
| \*Mar 6 | \*No Class (Spring Break) |  |
| Mar 13 | LLPsPartnersSpecial Topic 7 | **LLP; External Contacts Log:** At least 10 people for Lesson 6.Complete Lesson 7Read: B&D pp. 169-175, 180-188. |
| Mar 20 | LLPsResources Activities and CostsSpecial Topic 8 | **LLP; External Contacts Log:** At least 10 people for Lesson 7.Complete Lesson 8 |
| Mar 27 | LLPsDiscuss Elevator/Video PitchesSample Presentations | **LLP; External Contacts Log:** At least 10 people for Lesson 8. |
| Apr 3 | LLPsFormal Business Plans Discussion | **LLP; External Contacts Log:** Address remaining uncertaintiesLean Launchpad Certification Due |

|  |  |  |
| --- | --- | --- |
| Apr 10 | LLPsInternational Business  | **LLP; External Contacts Log:** Address remaining uncertainties |
| Apr 17 | New Product DevelopmentFinal Discussions | Last chance for elevator/video pitch discussions |
| Apr 24-30 | Final Examinations | **Elevator Pitch; Video Pitch due; Absolute deadline for everything.** |

1Everything listed in the “Assignments” column should be completed no later than ***one hour before class begins,*** though lessons should be completed in time to make contacts for the corresponding items in the External Contacts Log. Unless otherwise noted, written assignments are due by that time, and they should be submitted by simply placing them in (or uploading them to) the Google Drive folder that you have shared with the instructor (kcox24@fau.edu ) ***LATE ASSIGNMENTS WILL NOT BE ACCEPTED!***

2This and all other references to lesson numbers pertain to the Lean Launchpad course online.

3Page numbers here are for the physical books. If you are using an e-book version, see the “Optional Reading” assignment at the end of the lesson in the Lean Launchpad course online.

**Other Important Dates**

* January 10th – 5:00 pm last day to drop/add courses
* January 13th – Last day to pay tuition fees (11:00pm online)
* February 28th – Last day to withdraw from course
* April 23rd – Last day of classes

**Selected University and College Policies**

Code of Academic Integrity Policy Statement

Students at Florida Atlantic University are expected to maintain the highest ethical standards. Academic dishonesty is considered a serious breach of these ethical standards, because it interferes with the university mission to provide a high quality education in which no student

enjoys an unfair advantage over any other. Academic dishonesty is also destructive of the university community, which is grounded in a system of mutual trust and places high value on personal integrity and individual responsibility. Harsh penalties are associated with academic dishonesty. For more information, see [University Regulation 4.001](http://www.fau.edu/regulations/chapter4/index.php).

Disability Policy Statement

In compliance with the Americans with Disabilities Act (ADA), students who require special accommodation due to a disability to properly execute coursework must register with the Office for Students with Disabilities ([OSD](http://osd.fau.edu/)) – in Boca Raton, SU 133, (561) 297-3880; in Davie, MOD 1, (954) 236-1222; in Jupiter, SR 117, (561) 799-8585; or, at the Treasure Coast, CO 128, (772) 873-3305 – and follow all OSD procedures.

Religious Accommodation Policy Statement

In accordance with rules of the Florida Board of Education and Florida law, students have the right to reasonable accommodations from the University in order to observe religious practices **and beliefs with regard to admissions, registration, class attendance and the scheduling of** examinations and work assignments.  For further information, please see [Academic Policies and Regulations](http://www.fau.edu/academic/registrar/catalog/academics.php).

University Approved Absence Policy Statement

In accordance with rules of the Florida Atlantic University, students have the right to reasonable accommodations to participate in University approved activities, including athletic or scholastics teams, musical and theatrical performances and debate activities. It is the student’s responsibility to notify the course instructor at least one week prior to missing any course assignment.

College of Business Minimum Grade Policy Statement

The minimum grade for College of Business requirements is a “C”. This includes all courses that are a part of the pre-business foundation, business core, and major program. In addition, courses that are used to satisfy the university’s Writing Across the Curriculum and Gordon Rule math requirements also have a minimum grade requirement of a “C”. Course syllabi give individualized information about grading as it pertains to the individual classes.

Incomplete Grade Policy Statement

A student who is passing a course, but has not completed all work due to exceptional circumstances, may, with consent of the instructor, temporarily receive a grade of incomplete (“I”). The assignment of the “I” grade is at the discretion of the instructor, but is allowed only if the student is passing the course.

The specific time required to make up an incomplete grade is at the discretion of the instructor. However, the College of Business policy on the resolution of incomplete grades requires that all work required to satisfy an incomplete (“I”) grade must be completed within a period of time not exceeding one calendar year from the assignment of the incomplete grade. After one calendar year, the incomplete grade automatically becomes a failing (“F”) grade.

Withdrawals

Any student who decides to drop is responsible for completing the proper paper work required to withdraw from the course.

Grade Appeal Process

A student may request a review of the final course grade when s/he believes that one of the following conditions apply:

* There was a computational or recording error in the grading.
* Non-academic criteria were applied in the grading process.
* There was a gross violation of the instructor’s own grading system.

The procedures for a grade appeal may be found in [Chapter 4 of the University Regulations](http://www.fau.edu/regulations/chapter4/index.php).

Disruptive Behavior Policy Statement

Disruptive behavior is defined in the FAU Student Code of Conduct as *“... activities which interfere with the educational mission within classroom.”* Students who behave in the classroom such that the educational experiences of other students and/or the instructor’s course objectives are disrupted are subject to disciplinary action. Such behavior impedes students’ ability to learn or an instructor’s ability to teach. Disruptive behavior may include, but is not limited to: non-approved use of electronic devices (including cellular telephones); cursing or shouting at others in such a way as to be disruptive; or, other violations of an instructor’s expectations for classroom conduct.

**Faculty Rights and Responsibilities**

Florida Atlantic University respects the right of instructors to teach and students to learn. Maintenance of these rights requires classroom conditions which do not impede their exercise. To ensure these rights, faculty members have the prerogative:

* To establish and implement academic standards
* To establish and enforce reasonable behavior standards in each class
* To refer disciplinary action to those students whose behavior may be judged to be disruptive under the Student Code of Conduct.