Course: Entrepreneurship (BUS 353)   Semester: Spring 2022
Days and Times: T/Th 3:30pm-4:50pm
Classroom: B205

Instructor's Name: Professor Chihmao Hsieh *(pronounced 'shay')*
Email: chihmao.hsieh at sunykorea
Office: B5.22
Office Hours: By appointment

TA: Jung Kyu Kim

Course background

Objectives: Entrepreneurship is the study of new venture creation and management and it could occur in a myriad of ways depending on the interactions of entrepreneurs and opportunities. This course provides an overview of issues of creating a business, ranging from opportunity recognition and evaluation to resource acquisitions and management. It is designed to appeal to individuals with strong desires to become entrepreneurs, to join start-up companies, or to work in the venture capital industry. The course objectives are threefold: 1) to develop a scientific understanding of entrepreneurship, and the empirical evidence in support of theories; 2) to transform this scientific understanding to practice; and 3) to provide firsthand experience with dealing with uncertainty and managing the start-up process.

Extended Description (updated): This SUNY Korea course consists of three interlocking elements: ❶ *What you do.* In our program students set the framework for creating their own company in a multi-disciplinary team. They apply many if not most of the basic concepts of entrepreneurship in this practice.   Teams are expected to collect data on their own, and begin to develop team coordination skills. ❷ *What you write and present.*   Students serve in teams to write a business proposal and craft the presentation document(s). ❸ *Lessons Learned / Assessment*. For this component of the course, individual students are expected to describe in detail their personal lessons learned during the semester, possibly linking theory to practice.   Teammates also give each other teamwork grades that count towards the overall course grade.

Instructional Methods: Lectures and workshops led by the instructor. Students will also engage in extensive teamwork and give team presentations to the class.   Any required materials will all be made available online.

Course objectives	*Course learning objectives*				
	Communication skills	Critical thinking	Teamwork and Leadership	Global and Multicultural Issues	Integration of business areas
(1) To learn how to describe elements of a business venture to others, especially investors		X			X
(2) To learn how to persuade others to support or invest in a business venture, especially investors		X	X		X
(3) To become familiar with the non-linear unstructured nature of new venture creation		X			X
(4) To experience the process of exchanging or partnering with external stakeholders who are also looking for a profit (esp. suppliers and partners)	X			X	X

Week	Day	Date		Topic/event	Comments
1	Tues	22-Feb		Introduction to Entrepreneurship	
	Thurs	24-Feb		Understanding the various theoretical approaches to entrepreneurial opportunity	Individual Homework #1a due on Mon 28-Feb: 2 pitches and 6 trends
2	Tues	1-Mar	no class		
	Thurs	3-Mar		Pitchfest (1-minute each); Q&A, & some roadblocks to generating an entrepreneurial mindset (activity)	
	Mon	7-Mar		Last day to drop course without "W" on transcript	
3	Tues	8-Mar		Brainstorming exercise about trends (activity)	Individual Homework #1b due on Thurs 10-Mar before class: your A3's
	Thurs	10-Mar		Ideamarket and discussion (activity)	
4	Tues	15-Mar		Watching and discussing Shark Tank or Dragon's Den (activity)	Team deliverable: member list due on Sat 12-Mar
	Thurs	17-Mar		**Go/no-go pitches (activity)**	Team Homework T1: .ppt for Go/no-go due on Wed 16-Mar
5	Tues	22-Mar		Defining and reframing the problem	
	Thurs	24-Mar		Creativity: Schemas and conceptual combination	
6	Tues	29-Mar		Features of the products and identifying the target market	
	Thurs	31-Mar		Designing the product or service; marketing strategy	
7	Tues	5-Apr		What recent startup inspires you?	
	Thurs	7-Apr		Storytelling and lies in entrepreneurship	
8	Tues	12-Apr		Making a business phone call (activity)	
	Thurs	14-Apr		Using Qualtrics; other resource gathering strategies	Team Homework T2: Second PPT due on Mon 26-Apr
9	Tues	19-Apr		Discussing business models and revenue generation	Team Homework T3: Business Proposal first draft due on Mon 26-Apr
	Thurs	21-Apr		Personality and emotions in entrepreneurship	
	Fri	22-Apr		Last day to drop course (with "W" on transcript)	
10	Tues	26-Apr		**Practice Pitches II (activity)**	
	Thurs	28-Apr		Guest lecture in April/May (tentative date, TBA)	
11	Tues	3-May		Entrepreneurial teams and team failures	
	Thurs	5-May	no class		
12	Tues	10-May		Understanding risk and uncertainty in entrep.	
	Thurs	12-May		Intellectual Property Rights	
13	Tues	17-May		Entrepreneurial Finance I	Individual Homework #2 due on Wed 18-May
	Thurs	19-May		Entrepreneurial Finance II	
14	Tues	24-May		Learning about pivoting	
	Thurs	26-May		Challenges to fostering entrepreneurship in Korea	Team Homework T4: Final PPT due on Tues 02-Jun
15	Tues	31-May		**Practice Pitches III (activity) and Teams offer consulting to each other**	
	Thurs	2-Jun		**Team Presentation T5: Final Pitch**	
16	Tues	7-Jun	follow Wed		
	Finals week				

Team Homework T6: Business Proposal Final Draft due on Wed 08-Jun

Individual Homework #3: Lessons Learned due on Wed 08-Jun

360° peer evaluations due on Fri 10-Jun

* This schedule is mostly reliable, but is subject to change.

Course Grading (these are weights!)

Individual grading (orange)
-Homework #1 (a+b)	8%
-Homework #2	10%
-Homework #3: Lessons Learned	10%
-360° peer evals	12%

Team grading (yellow)
-Homework T1: Go/no-go Pitch	5%
-Homework T5: Final Pitch	15%
-Homework T6: Business Proposal final draft	17%

Team grading
-Prototype/experience	13%
-Team peer evaluation (all teams will grade each other)	10%

Deliverables: individual grading

Individual homeworks #1 and #2. There will be some simple individual homeworks during the semester. Homework #1 just sets the stage for our brainstorming and basic market validation. Homework #2 will be more difficult.

Individual homework #3: Lessons Learned. Individual homework #3 is also an individual assignment. It should be a maximum of 2500 words, describing lessons learned during the semester. This document should contain three sections:

A. What did you expect from the course before the beginning of the semester?
B. How did your actual experience in the course match or differ from those expectations? You are welcomed to *briefly* describe your team's venture and its actual operation in this section.
C. What do you perceive that you learned from the semester? For example, what did you learn about organizations and entrepreneurship teamwork? Also, what did you learn about yourself?

Please do not copy-and-paste sections of your Business Proposal. Please assume that the person reading your lessons learned paper has already read your business proposal (you are welcomed to cite page numbers in your business proposal, if you wish). You are also welcomed to link theory to practice. This document is graded based on <u>completeness of detailed thought</u> for each of the 3 sections.

360-degree Peer Evaluations. These will be administered via Qualtrics at the end of the semester. The tentative form can be found below. Be careful if you try to make 'deals' with fellow teammates. If you and a fellow teammate agree upfront to give each other perfect peer evaluation scores, you encounter some risk that your teammate will shirk or 'free ride' on your efforts, in which case the team-based portion of your grade is in jeopardy. <u>Be careful what and when you promise, if at all!</u>

Quantity of effort:
Please grade each yourself and your teammates from 0-100%, with respect to the amount of time and attention they provided in response to your team's presentation or final document creation needs. Do not use fractions or decimals.

	Score that you give this individual
Team member A	%
Team member B	%
Team member C	%
Team member D (you)	___ %
Team member E	%

Quality of effort:
Please grade each yourself and your teammates from 0-100%, with respect to the amount of seriousness in effort and quality of results they provided in response to your presentation or final document creation needs. Do not use fractions or decimals.

	Score that you give this individual
Team member A	%
Team member B	%
Team member C	%
Team member D (you)	___ %
Team member E	%

Professionalism:
Please grade each yourself and your teammates from 0-100%, with respect to the amount of professionalism as exemplified in behavior they provided in response to your team's presentation or final document creation needs. Do not use fractions or decimals.

	Score that you give this individual
Team member A	%
Team member B	%
Team member C	%
Team member D (you)	___ %
Team member E	%

Pitches: For 2-3 sessions this semester, each team is expected to give pitches that range from 4-8 minutes. Q&A follows each team's pitch.

- What are these pitches for? Generally speaking, these 'pitches' are more like short presentations. Their primary goals are to *inform* the entire class about what/how your team is doing, and to get used to a 4-8 minute time frame. There are two secondary goals. One secondary goal is to *share knowledge*. Maybe your team has learned something that can help provide insight to other teams. Or maybe other teams have something to share with your team after they hear your presentation. The other secondary goal is to *learn how to respond to challenges*. If the audience hears your presentation and challenges your team's decision-making, your team will need to know how to respond adequately. Or, at the very least, explain why you are not able to respond adequately.
- What is in the pitch? The first part of the pitch should walk us through the consumer problem/pain/need/want, the solution that you've identified, and the business model. Your team can also talk about the marketing strategy or sales strategy, based on your hypothetical proposals or your actual operations/launch. The second part of the pitch could provide us with your progress update. What actions have your team taken? What failures have your team encountered? What successes? And if you wish, What has been learned so far, and How is it changing your original proposal? *It is up to you and your team exactly what fits in, and how to allocate your time. For example, maybe you only allocate 30 seconds to describe team progress.*
- In short, sell us your idea! But please let me remind: The audience is not naive or dumb, and will prefer substance and confidence... not blindness or empty flashiness.
- After each team's pitch, there will be a short Q&A session. Everybody in the audience is welcomed to ask questions or make comments to the team. Maybe these questions serve to get clarification, maybe some comments serve to challenge. If you get beat up by questions that you can't answer, you get beat up. You will have to learn how to handle the questions.
- Who from your team presents, is up to you.

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Grading Rubric (BUS353 Go/no-go pitch)

	Poor	Unsatisfactory	Adequate	Very good	Excellent
	60	70	80	90	100
How well you define (and defend) your problem for us to understand	An attempt is made to describe a problem, but there is very good reason to believe that it's not a problem in the first place.	An attempt is made to describe a problem, but it's not a believeable problem.	The problem is described, but it's not clear who has this problem or why; **or** the team has not shown any evidence that this is possibly a valuable or lucrative problem to solve.	The problem is easy to see, but not very clearly described by the team; **or** the team has described the problem well but it's not clear that it's a valuable or lucrative problem to solve.	The problem is clearly described, and we can easily see who has this problem and why. It is easy and straightforward to see how the problem is a valuable (or lucrative) one to solve. (The team likely showed statistics to defend themselves.)
How well you describe (and defend) your team's intended solution	The solution that the team presents already exists in their target market.	The solution that the team presents is clearly an inferior one compared to obvious alternatives; **or** there is a clear misalignment between the solution and the problem that it is supposed to address.	The solution is described, but it's not clear yet how the solution can be designed, given technological constraints; **or** the team has not defended at all how this is possibly a valuable solution.	The nature of the solution is easy to see, but not very clearly described by the team; **or** the team has described the solution well but it's highly debatable that it's a valuable or lucrative solution even if implemented well.	The nature of a solution is clearly described, including the features of the product/service that will address the problem. It is easy and straightforward to see how the solution is one that can generate significant revenue.
How well you describe your team's intended business model?	The team has not identified any sources/strategies for generating revenue; **and** they also have not identified or revealed any of the key activities required to sustain the business model.	The team has not identified any sources/strategies for generating revenue.	The team has not identified any major sources/strategies for generating revenue; **or** they make no mention of critical key activities	The team has identified some major sources/strategies for generating revenue, but these sources/strategies are not convincing; **or** they only have advertising revenue; or they have not convincingly identified the critical key activities.	The team has identified major sources and strategies for generating revenue (and their defense is convincing), **and** also identified the key activities (i.e. design, marketing, customer service) required to sustain the business model.
The quality of the PPT itself	The PPT is not written and designed to reflect the presentation pitch.	The PPT contents barely relate to the presentation pitch.	The PPT is not well-written, **or** makes the audience feel lost during the presentation.	The PPT is moderately well-written, but includes some grammar errors; **and** the order of the PPT slides adds some confusion to the presentation.	The PPT is clearly written and is easy for the audience to follow.

Grading Rubric (BUS353 Final Pitch)

	Poor	Unsatisfactory	Adequate	Very good	Excellent
	60	70	80	90	100
How well you define (and defend) your problem for us to understand	An attempt is made to describe a problem, but there is very good reason to believe that it's not a problem in the first place.	An attempt is made to describe a problem, but it's not a believeable problem.	The problem is described, but it's not clear who has this problem or why; **or** the team has not shown any evidence that this is possibly a valuable or lucrative problem to solve.	The problem is easy to see, but not very clearly described by the team; **or** the team has described the problem well but it's not clear that it's a valuable or lucrative problem to solve.	The problem is clearly described, and we can easily see who has this problem and why. It is easy and straightforward to see how the problem is a valuable (or lucrative) one to solve. (The team likely showed statistics to defend themselves.)
How well you describe (and defend) your team's intended solution	The solution that the team presents already exists in their target market.	The solution that the team presents is clearly an inferior one compared to obvious alternatives; **or** there is a clear misalignment between the solution and the problem that it is supposed to address.	The solution is described, but it's not clear yet how the solution can be designed, given technological constraints; **or** the team has not defended at all how this is possibly a valuable solution.	The nature of the solution is easy to see, but not very clearly described by the team; **or** the team has described the solution well but it's highly debatable that it's a valuable or lucrative solution even if implemented well.	The nature of a solution is clearly described, including the features of the product/service that will address the problem. It is easy and straightforward to see how the solution is one that can generate significant revenue.
How well you describe your team's intended business model?	The team has not identified any sources/strategies for generating revenue; **and** they also have not identified or revealed any of the key activities required to sustain the business model.	The team has not identified any sources/strategies for generating revenue.	The team has not identified any major sources/strategies for generating revenue; **or** they make no mention of critical key activities	The team has identified some major sources/strategies for generating revenue, but these sources/strategies are not convincing; **or** they only have advertising revenue; or they have not convincingly identified the critical key activities.	The team has identified major sources and strategies for generating revenue (and their defense is convincing), **and** also identified the key activities (i.e. design, marketing, customer service) required to sustain the business model.
What progress has your team actually made, via experience?	Little to no evidence of progress	Description of data collection or method but no data presented	Substantial data collection or a rudimentary prototype	Substantial data collection + conclusive data analysis, and a significant prototype	Substantial data collection + Rigorous data analysis and a saleable concrete prototype
The quality of the PPT itself	The PPT is not written and designed to reflect the presentation pitch.	The PPT contents barely relate to the presentation pitch.	The PPT is not well-written, **or** makes the audience feel lost during the presentation.	The PPT is moderately well-written, but includes some grammar errors; **and** the order of the PPT slides adds some confusion to the presentation.	The PPT is clearly written and is easy for the audience to follow.

Business Proposal. The Business Proposal is expected to describe a business venture encompassing a market size big enough to support the team's hypothetical salaries. I expect the Business Proposal to reflect any of your team's survey data collection efforts or organizational decisions and actions. Just because we call this a Business Proposal certainly does not mean that it is based strictly on thought or theorizing.

Business Proposal's expected format and grading structure. The ability to write effective documents is important when pursuing a Business Venture, because you often must effectively describe and persuade when obtaining funding from others, or when selling your business venture to others (e.g. when you exit). *Importantly, the Business Proposal for this minor must be concrete and specific about your product, market, business model, and proposals.* Finally, the Business Proposal represents an informal contract upon which all your team members agree. Blind assertions must be avoided, or at least marked as such!

This business proposal represents your HYPOTHETICAL VISION of a potential venture in the REAL WORLD *if* you had the time and energy to make it happen.

When you collaborate to put the Business Proposal together, consider assigning responsibilities to minimize the costs of coordination and communication. To aid in collaboration, you may consider using MS Word's tracking capability or Adobe's document management capabilities.

The Business Proposal should be written in 11 or 12 pt Times New Roman, single-spaced, 2.54cm margins all around. *Please constrain this document to a strict maximum of 20 pages*[1], not including appendices, cover page or table of contents. The format found below is only suggested. However, you are welcomed to use whatever format you wish, as long as you address these following concepts and issues in your format.

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[1] This is a very rigid limit. If you submit a Business Proposal where the Main Body is longer than 20 pages, I will either assess a penalty or ask your team to cut it down. I reserve the right not to read the Appendix. Business Proposals not only have to be descriptive and persuasive, they should be efficiently worded!

1.0   Highlights

1.1   **The Problem** (What is the consumer or industrial pain or need that we've identified? Or perhaps there is a condition or incongruity that we've identified, and from that incongruity we can identify a problem?)

1.2   **Our Solution** (What are the candidate solutions to the problem?   What is your team's solution?   In a few sentences, why is your solution superior?)

1.3   **Value Proposition or Business Model** (i.e. What is the structure of the revenue-generating mechanisms?   For example, is it a one-time fee, or a subscription model? Do consumers pay after products or services are rendered, or before?)

1.4   **Keys to Success** (What are the most important decisions or actions that must be addressed or implemented, respectively, in order to maximize profit?)

2.0   Line of Products or Services

2.1   **Features** of each product or service offered (just description) – Different from performance measures or objectives (i.e. comfort or education(al), respectively)

2.2   **Price points** (i.e. What are the specific prices of the different lines of your product or service?)

3.0   Market and industry analysis (i.e. Can value be generated or captured at all?)

3.1   **Target market** (How are we segmenting the market?   Which market are we selecting?   We should still be focusing as much as possible on consumer problems, pains, or needs here.   If you cite a survey, we expect to see some data from that survey in an appendix, especially if it is your own survey.   Starting Fall 2021, please send me the raw data of your survey respondents.)

3.2   **Industry analysis** (Generally speaking, who are the suppliers and competitors? Don't describe partners yet!   What are the substitute products and services?   How likely will suppliers be able to capture the value that we're attempting to capture? What is the extent of the expected rivalry from competitors, and those offering substitute products or services?)

3.3   **Concluding statement** (e.g. "Given our basic target market and the industry analysis, we perceive a Korean/Asian/global market of ____₩ XX in revenue per month, from sale of our kind of product or service.")

4.0   Our strategy (What strategy will we take or what resources do/will we have to capture that value?)

4.1   **Product or service design considerations** (Why did we choose the specific tangible features that we described above in 2.1?   Why did we choose the specific price points?   What was the rationale?)

4.2   **Partner/supplier/vendor agreements** (Virtually all business ventures will require agreements with outside parties: Are these agreements based on formal contracts or informal handshakes?)

4.3   **Marketing and sales strategy** (i.e. getting consumers to buy: *pre-sale*)

4.4   **Distribution strategy** (i.e. delivering products or services to consumers via different channels: *post-sale*; of course, the notion of pre/post-sale depends on the business model)

4.5   **Service strategy** (Will our team offer service or support after consumers have used/enjoyed the product or service?   If 'no,' can omit this sub-section.)

4.6   (optional) **Source of competitive edge** (*In the long-run*, how might our team be able to ultimately generate a sustainable competitive advantage?)

5.0   Financing plan (you should plan for this section to be at least 3-4 pages total)

5.1   **Operational/technological risks** (Please describe the risks associated with your venture idea. Tell me the difficulties that you foresee in designing/developing your

product, in terms of the supply and availability of resources required.   Tell me the risks associated with getting your target market wrong.

5.2   **Financing source** (You must describe 1-2 possible sources of financing, from the following set of options: government funding, Kickstarter/Indiegogo/crowdfunding, friends & family.)

5.2.1   **If you choose 'government funding':** list the government funding sources and also tell me the relevant deadlines if you were to apply for that funding.   Also please show me the kind of information that the funding source expects you to submit.   In other words, I want your team to pretend in this section that you are about to apply for the funding.

5.2.2   **If you choose 'crowdfunding':** please create a mock-up of your crowdfunding campaign.   Please visit Kickstarter/Indiegogo and take a look at what some campaigns look like.   Then, for this section, design a campaign, including graphics (i.e. pictures that you used in your business plan).   You will need to market the idea in your description and also design the 'perks' system in your campaign.

5.2.3   **If you choose 'friends and family':** please list your friends and family (first name initials only, to help you keep track!) that are willing to contribute to financing this venture idea.   You will need to indicate the percentage ownership that they would theoretically need to make their investment.   In this section, I also need you to interview each of these friends and family members to find out what are their concerns and conditions for investment.

6.0 Financial Plan

6.1   Start-up Funding requirements

6.2   Break-even analysis

6.3   Projected Cash Flow (monthly, for 2-3 years)

7.0 Contingency Plan (What are the major *changes in the external environment* that may *arise in the future* that might prevent your team from making a profit, if funded?   What will you do if those difficulties arise?)

8.0 Expansion Plan (What steps should be considered or taken in order to replicate the Business Model outside of our current target (i.e. geographic) market?   Should the same business model be used?   Can this business venture be franchised?   If so, what are the considerations that must be made?)

9.0 Bibliography

10.0 Appendices (You are welcomed to include here a balance sheet and income statement, plotted out by quarter (up to 3 years).)

Notes:

- Please do not forget that the Business Proposal is a Living Document!   It is *supposed* to change over time.   It is up to your team how you reach consensus to finalize changes in your Business Proposal.   Tracking in Word is useful for this purpose.

Prototype. This is a new deliverable starting Fall 2021 semester. Your team needs to submit something more tangible, besides just a PPT and a business proposal. I will have the rubrics for you, but please consider the following for now:

- If the core of your team's venture is classified as <u>a website or a webapp</u>, you will need to show me **at least 12 screenshots of how it works (i.e. the user experience), and what it looks like**. You are welcomed to learn how to use wireframe software (i.e. "Balsamiq"), but if you want to just draw the schematic in Powerpoint, that's OK too. This is not a computer science or graphic design class, but as entrepreneurs *you still need to be able to show people what your vision is*.
- If the core of your team's venture is classified as <u>a physical product</u>, you will need to show me an actual design of your product, not just examples of goods or products found on the internet. The design may include pictures and/or blueprints.
- If the core of your team's venture is classified as <u>a service</u>, you will need to show me pictures or video of members of your team going through an actual pilot of your service, on location with real (potential) customers.

The classification of your venture will usually be obvious, but I will assign your venture into one of these 3 categories soon after go/no-go pitches.

Team peer evaluations. At the end of the semester, you will grade all the other teams, by allocating 90 x (n-1) points among the n-1 teams, where n = the total number of teams in the class. For example, if there are 5 teams in class, you will, on an individual basis, be required to allocate 360 points among the other four teams. Continuing the example, you may give two teams a full score of 100 and the other two teams 80. The team peer evaluations that you give will be averaged together with the peer evaluations by your teammates, to yield the *average ratings that your team* gives for the other (4) teams. Thus, each team will receive a score from the other 4 teams, and those 4 scores will be meta-averaged. (This eliminates any unfairness stemming from one team having more teammates than other teams.)

Course policies

Team and Team members – Generally speaking, each team member has two roles. ❶ You must contribute to the team's efforts. That means, for instance, deciding among yourselves how to distribute responsibilities of writing the Business Proposal and crafting the presentations. You should also contribute to the crafting of any other team documents, and/or contributing to the actual operations during the startup process (i.e. making phonecalls, collecting survey data). ❷ You are expected to inform the instructor when individual or team (seemingly irremediable) hardships arise, via email, or face-to-face conversation. You are also expected to email if questions arise. (However, I reserve the right to point you back to this syllabus, if the answers to your question can be found there, or in the schedule.)

Instructor – My role as instructor is to help you formulate valuable problems, and search for valuable solutions. Insofar that decision-making is made up of considering decisions, selecting decisions to make, considering choices, and selecting choices, I will only help with considering decisions and choices. Advice may correspond to good decisions or choices, or turn out to be bad decisions or choices. <u>Critically thinking for yourself and being an independent responsible decision-maker is important to the fundamental purpose of this course.</u> I will also administer the 360-degree peer evaluations at the end of the semester.