

MGT 530

Entrepreneurship

Module 3, 2019-2020

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Course Information

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Office Hours: Tuesday and Friday 2:00pm-3:00pm; Wednesday 10:00am-11:00am; Email

Teaching Assistant: TBA

Email: TBA

Classes:

Lectures:

Session 1: Tue+Fri 15:30-17:20

Session 2: Tue+Fri 10:30-12:20

Venue: PHBS Building, Room TBA

Course Website:

Please enroll in our course page at <http://cms.phbs.pku.edu.cn/>. Announcements, documents, etc. will be posted to this site and it is your responsibility to make sure you keep up with them.

Please also make sure that you are on <https://www.turnitin.com/>:

Class ID – TBA; Password – TBA

-All assignments must be turned into Turnitin by 10am on the due date. No late assignments will be accepted.

-Please title all submitted materials as follows: Assignment_ID#_Name. If you have multiple people please list all IDs and Names. For example, Case 1_11111111,22222222_Kevin Chastagner,Jane Doe.docx

-If you have an issue registering on Turnitin please let me know. If there are any issues within Turnitin it is your responsibility to make sure that you have still submitted your assignment to myself and the TA on time (email if Turnitin is down). When submitting your assignment make sure to hit "confirm" and make sure that the site gives you confirmation of your completed submission.

-Feedback and grades will be done within Turnitin and rubrics for each assignment can be seen within Turnitin as well.

1. Course Description

1.1 Context

Course overview:

Entrepreneurship is the study of new venture creation and management and it occurs in a myriad of ways depending on the interactions of the entrepreneur and the opportunity. This course, Entrepreneurship, provides a general overview of creating a business, ranging from opportunity recognition and evaluation to resource acquisition. The course is designed to appeal to individuals with strong desires to become entrepreneurs, to join startup companies, or to work in the venture capital industry.

Prerequisites:

None

1.2 Textbooks and Reading Materials

Required: Cases and articles as assigned in the course schedule. All articles should be available through the CMS.

Other Resources:

Other Texts:

Melissa A. Schilling. (2016). *Strategic Management of Technology and Innovation*. New York, NY: McGraw-Hill, 5th ed. (ISBN: 978-1259539060)

Duening, T., Hisrich, R.D., and Lechter, M.A. (2015). *Technology Entrepreneurship 2nd Edition*. Burlington, MA: Academic Press (ISBN: 978-0-124201750)

Shane, S. (2009). *Technology Strategy for Managers and Entrepreneurs*, Upper Saddle River, NJ: Pearson Prentice-Hall (ISBN: 978-0-13-187932-4)

Geoffrey A. Moore. (2014). *Crossing the Chasm, 3rd Edition: Marketing and Selling Disruptive Products to Mainstream Customers*, Harper Business (ISBN-13: 978-0062353948)

Justin Longenecker, J., William Petty, Leslie E. Palich, and Francis Hoy. (2016). *Small Business Management: Launching and Growing Entrepreneurial Ventures*, 16th Ed. Mason, Ohio. South-Western Cengage Learning

Spinelli, Stephen, Jr and Robert Adams. (2012). *New Venture Creation*, 9th Ed. New York: McGraw-Hill/Irwin

Book list and market info:

<http://library.stanford.edu/guides/entrepreneurship-resources>

General Resources:

<https://venturebeat.com/>

<https://www.entrepreneurship.org/>

<https://www.kauffman.org/>

Presentation Resources:

https://www.visual-literacy.org/periodic_table/periodic_table.html

Local resources:

<https://www.startupgrind.com/shenzhen/>

<https://www.startmeup.hk/>

<http://huodongxing.com/>

<https://hksef.org/about/>

http://www.startbase.hk/about_us

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

<http://www.entrepreneurs.com.hk/about-us>

<https://www.ten-hk.org/about-us>

2. Learning Outcomes

2.1 Intended Learning Outcomes

Learning Goals	Objectives	Assessment
1. Our graduates will be effective communicators.	1.1. Our students will produce quality business and research-oriented documents.	Yes
	1.2. Students are able to professionally present their ideas and also logically explain and defend their argument.	Yes
2. Our graduates will be skilled in team work and leadership.	2.1. Students will be able to lead and participate in group for projects, discussion, and presentation.	Yes
	2.2. Students will be able to apply leadership theories and related skills.	Yes
3. Our graduates will be trained in ethics.	3.1. In a case setting, students will use appropriate techniques to analyze business problems and identify the ethical aspects, provide a solution and defend it.	
	3.2. Our students will practice ethics in the duration of the program.	Yes
4. Our graduates will have a global perspective.	4.1. Students will have an international exposure.	Yes
5. Our graduates will be skilled in problem-solving and critical thinking.	5.1. Our students will have a good understanding of fundamental theories in their fields.	Yes
	5.2. Our students will be prepared to face problems in various business settings and find solutions.	Yes
	5.3. Our students will demonstrate competency in critical thinking.	Yes

2.2 Course specific objectives

The course objectives are threefold:

- 1) to develop a scientific understanding of entrepreneurship, the theoretical framework for that understanding, and the empirical evidence in support of theory
- 2) to transform this scientific understanding to practice
- 3) to provide an understanding of start-up ventures and entrepreneurial uncertainty

Upon completion of this course the student should have:

- 1) Knowledge to understand the entrepreneurial process: How to identify and pursue a business opportunity
- 2) Tools to analyze various challenges: How to define the fundamental issues of starting a business? How to assess a venture's risks, problems, and rewards
- 3) Skills to bridge the gap between theory and practice: How to transform ideas into action items. How to learn from your peers and role models. How to design and execute strategies

2.3 Assessment/Grading Details

All work must be submitted through Turnitin unless otherwise noted. Final grades may be curved as needed. For your written work please use APA style for your references. More information can be found here:

https://owl.purdue.edu/owl/research_and_citation/apa_style/apa_formatting_and_style_guide/general_format.html

Grade Distribution

1) Individual Report ^I	5%
2) Reflection Questions ^I	15%
3) Case Study Reports ^T	10%
4) Professionalism and Participation ^I	5%
5) Exam ^I	30%
6) Business Idea Project ^T	35%
7) Team Review– Modifier for team grades	

^T – Team (45% Total); ^I – Individual (55% Total)

Assignments

1) Individual Report (5%):

You will need to complete an individual report for this class. There are two options for this report in order to give you some flexibility in what you want to focus on.

First, you can write a report on an academic article related to entrepreneurship. In order to do this option you must select an article on entrepreneurship from one of the following journals:

- 1) One of the journals listed under "Journal List" here: <https://jindal.utdallas.edu/the-utd-top-100-business-school-research-rankings/index.php>. This is a general list of top journals in business. These are not field specific so they include all topics under their given area. If you select from one of these you will need to ensure that it is an article on entrepreneurship.
- 2) One of the top two field specific journals for entrepreneurship
 - a. Entrepreneurship Theory and Practice: <https://journals.sagepub.com/home/etp>
 - b. Journal of Business Venturing: <https://www.journals.elsevier.com/journal-of-business-venturing>

You should thoroughly read the article and write a report that responds to the following:

- 1) What is the research gap that the authors are working to fill?
- 2) Summarize the main findings from the authors work and explain what this means to you
- 3) Why is the article important? Both theoretically and managerially
- 4) How does this article relate to our course (think about the value it might add to the class)?
- 5) What are some possible future research questions that you can come up with from the article (beyond what the article may mention)?

You should take into consideration what the authors do well, what assumptions they make, as well as potential issues they may have. To turn this report in please submit one PDF which combines both the article you read as well as your report.

Second, you can attend a local entrepreneurship event in Shenzhen or Hong Kong that meets one of the following criteria:

- 1) Speakers who are hosted by a reputable firm or association where the topic is of clear relation to entrepreneurship
 - 2) Business plan or pitch competitions hosted by a reputable firm or association
- Events that are not allowed include, but are not limited to, corporate presentations about their products or business (marketing or sales pitches) and meet-and-greet style events without a main speaker. If you would like to do another type of event you must have the approval of the professor.

You should attend the whole event and write a report that responds to the following:

- 1) List the event name, location, date, and time
- 2) Explain the key takeaways from the event (what you learned, what was interesting, etc.) and why they were important
- 3) How does the event relate to our course content? How does it or doesn't it fit with what we have covered?
- 4) Who would benefit the most from attending this event? Why?

- 5) What could the organizers do to make the event more beneficial for attendees in the future?

In order for the report to be counted you will need to include, in your report, a photo that meets the following requirements:

- 1) It must be large enough that it is easy to make out the details in the picture (full page width)
- 2) You must be in the picture
- 3) You must be at the event venue
- 4) You must have clear branding material for the event in the background (stage with branding around it, decoration poster for the event, welcome desk with branding, etc.)

If you go to the event with peers from class feel free to take a picture as a group (make sure it still meets the requirements) and make sure each person includes it in their own report.

No exceptions will be given so make sure that you do not forget to get the picture at the event.

2) **Reflection Questions (15%):**

There are 11 articles throughout the class (not the cases). Each person in the class will be randomly assigned 5 articles that they will be required to turn in a reflection for. For your assigned articles you should do one of the following with your reflection: 1) relate the work to your own personal growth, 2) discuss its meaning for your own business ideas or your team's business plan, or 3) relate the work to the course as a whole. The main goal is to integrate the ideas from the reading into the course and your learning. For each of the above three options you should relate the readings to the course, demonstrate that you have done a critical review of the article by including what you do and/or do not agree with (and why), and work to bring in your own experiences and value to your reflection. What you should not do is summarize the readings. Keep in mind that we will discuss all the articles in-class and you will be expected to participate (for a grade) in class discussions. You should also keep in mind that content from articles, whether assigned to you or not, may appear in the exam.

3) **Case Study Reports (10%):**

Your ability to function on a team and your ability to "sell" your work are essential skills for managers and entrepreneurs. For the case study, you will work in your business idea teams and you will apply what you are learning by analyzing realistic issues and managing team processes. To make these exercises more realistic, teams are expected to self-manage, and all team members will receive the same grade. You are encouraged to use resources outside of the text. All team members should be actively involved in all processes. Each team will submit a written report for each case. The purpose of these exercises is to help you to learn to think analytically about real business situations. Assignments are due on the day the case is listed.

The written report should include but not be limited to the following items:

- 1) Introduction of the company and the business
- 2) The managerial issue
- 3) Analyses of the issues in the case
- 4) Recommended solutions
- 5) Implementation plan

4) **Professionalism and Participation (5%):**

To get the most out of this class it is important for you to be prepared for each class. This will provide you with the most benefit and will also provide the most benefit for your classmates. Being prepared will allow you to keep up with your classmates in discussion and provide your experiences and insight. Your participation will be tracked throughout the class and you will be graded on your level of participation. This will also include any in-class assignments that may come up during class.

I will also evaluate your professionalism in the class. This does not mean that you should not speak until spoken to or that you should not challenge my ideas or the ideas of your classmates but that you should maintain a respectful atmosphere for everyone to pursue their ideas. Please be upfront with your team. You may want to set some goals and put plans in place to deal with issues that may come up along the way. You are always welcome to come to me if issues arise in your group but it will be a far better experience if you have the communication paths set up to deal with these ahead of time.

5) **Exam (30%):**

We will have an exam replacing the 13th class. This exam will cover the material that we have gone over up to this point. Questions may be generated based on: 1) class lectures, 2) articles, and 3) cases.

6) **Business Idea Project (Total = 35%):**

You will be asked to form your own teams (by the 4th class) of 3-4 members in order to develop and work through a business idea in class. It will be important that you work together as a team to develop each piece of this project. Beyond the Idea Page and the work in class there are two main components to this project, the pitch and the feasibility study. The pitch is the time for you to convince the class that your idea is interesting and has strong potential. The feasibility study is your time to more critically analyze your idea and come up with a go/no-go decision for the idea.

Business Idea Page (5%): Each team will submit a memo (up to 2 pages) introducing a problem that your idea intends to solve, who you see the target market to be, and what each member on the team will be responsible for. This is due in class 6.

Business Idea In-Class Exercise (5%): In the 11th class we will work through hypotheses for your business ideas as well as the business model canvas. You will be expected to hand in a completed set of hypotheses with possible tests as well as a completed canvas by the start of the 12th class. We will go over questions throughout the 11th class to help you refine your work.

Business Idea Pitch (10%): Each team will pitch their business idea in 10 minutes with 5 minutes for Q&A in one of the last two class sessions. Entrepreneurship is more than just having a great idea. It is ultimately about convincing others, especially holders of critical resources, that your venture is seeking a value-creating opportunity and that your product/service will add value to their lives. Seen this way, how entrepreneurs present themselves and their product/service is critical to their success. In this spirit, you are urged to think creatively and engagingly about your presentation.

Business Idea Feasibility Study (15%): Each team will submit a written final report that evaluates the feasibility of your idea. While the pitch is designed to convince your audience about the attractiveness of your idea this feasibility study is designed to critically analyze your idea and come up with a go/no-go decision. In this way it is possible to complete this study and decide that the idea should not be pursued and still get full credit for your report. The focus here is the analysis of the idea, not the outcome of the decision. Your feasibility study should include the following sections:

1) Title Page

Business name

Your contact information

2) Executive Summary

3) Table of contents

4) Company Description

Should include key points from the business model and can include the canvas in the appendix.

5) Value Proposition

Should clearly explain the value proposition. Who is the customer? What "pain" is being solved?

6) Competitive Advantage

Should clearly explain the competitive advantage of the business. Should consider how it fits to the firm as well as the market, how sustainable it is, and the impact it has on the business model.

- 7) Product/Service Feasibility
Desirability, demand, usability
- 8) Industry/Market Feasibility
The overall appeal of the market, industry attractiveness, market timelines, market scope, etc.
- 9) Organizational Feasibility
Human capital, social capital, other non-financial resources, skills/resources needed to bring product/service to the market
- 10) Financial Feasibility
Cost analysis, rate of return, revenue forecasts (best- and worst-case scenarios), pro forma income statement, balance sheet, break even analysis, etc.
- 11) Overall assessment
Should integrate the above pieces together and be a critical analysis of the overall situation. Should be able to draw a conclusion about whether the business idea is a go or no-go proposition.
Importantly, if suggesting a no-go you should also discuss if there are pieces that could be improved that would allow it to go forward as a modified concept. If suggesting a go you should discuss what the next steps would be.
- 12) Appendices
Key support, financials, etc.

7) Team Review

For this course you will also evaluate your teammates. To garner the best possible team peer evaluation, it will be necessary for you to know what your responsibilities are and to execute those for your team. It is imperative that you communicate often, attend meetings, complete your assignments on time, and help lead the team to success. Be sure to use each team member's resources as effectively as you can. It isn't necessary for every member to work an equal amount in every area. Evaluations will reflect the amount of effort put forward by each team member in total. Evaluations will be used to adjust each individual's assignment grades from the group work. This adjustment can be both a positive or a negative. The self-reflection piece will impact your Professionalism and Participation grade, if it is done poorly.

2.4 Academic Honesty and Plagiarism

It is important for a student's effort and credit to be recognized through class assessment. Credits earned for a student work due to efforts done by others are clearly unfair. Deliberate dishonesty is considered academic misconducts, which include plagiarism; cheating on assignments or examinations; engaging in unauthorized collaboration on academic work; taking, acquiring, or using test materials without faculty permission; submitting false or incomplete records of academic achievement; acting alone or in cooperation with another to falsify records or to obtain dishonestly grades, honors, awards, or professional endorsement; or altering, forging, or misusing a University academic record; or fabricating or falsifying of data, research procedures, or data analysis.

All assessments are subject to academic misconduct check. Misconduct check may include reproducing the assessment, providing a copy to another member of faculty, and/or communicate a copy of this assignment to the PHBS Discipline Committee. A suspected plagiarized document/assignment submitted to a plagiarism checking service may be kept in its database for future reference purpose.

Where violation is suspected, penalties will be implemented. The penalties for academic misconduct may include: deduction of honour points, a mark of zero on the assessment, a fail grade for the whole course, and reference of the matter to the Peking University Registrar.

For more information of plagiarism, please refer to *PHBS Student Handbook*.

3. Topics, Teaching and Assessment Schedule

The schedule below is subject to change with notification.

Class 1 – February 18th – Syllabus and Course Overview

Class 2 – February 21st – Introduction

Article 1:

Gans, Joshua, Erin L. Scott, Scott Stern, and Carl Schramm. (2018). Spotlight: Do entrepreneurs need a strategy? *Harvard Business Review*.

Class 3 – February 25th – Effectuation

Article 2:

Sarasvathy, Saras D. (2001). Causation and effectuation: Toward a theoretical shift from economic inevitability to entrepreneurial contingency. *Academy of Management Review*.

Class 4 – February 28th – Nature vs. Nurture – **Teams Due**

Article 3:

Eisenmann, Thomas R., Eric Ries, and Sarah Dillard. (2013). Hypothesis-driven entrepreneurship: The lean startup. *Harvard Business Review*.

Class 5 – March 3rd – Opportunity Recognition

Article 4:

Hornblower, Jocelyn, and Dennis Rohan. (2008). Identifying venture opportunities. *Stanford Graduate School of Business, E-323*.

Class 6 – March 6th – Marketing – **Business Idea Page Due**

Case 1:

Average is Beautiful: An Opportunity Worth Pursuing?

Class 7 – March 10th – Industry

Article 5:

MacMillan, Ian C., and Rita Gunther McGrath. (1997). Discovering new points of differentiation. *Harvard Business Review*.

Class 8 – March 13th – Business Model

Article 6:

Eisenmann, Thomas. (2014). Business model analysis for entrepreneurs. *Harvard Business School*.

Class 9 – March 17th – Teams

Article 7:

Bussgang, Jeffery, and Michael J. Roberts. (2015). Partnering with venture capitalists. *Harvard Business Publishing* – Section 2.5 (pages 15-32)

****Not Required:**

VENTURE CAPITAL:

<https://faculty.darden.virginia.edu/chaplinskys/PEPortal/Documents/The%20Early%20Stage%20Term%20Sheet.pdf>

<https://nvca.org/model-legal-documents/>
<https://dlopuch.github.io/venture-dealr/>

TEAMS:

Lemberg, Paul. Giving it away – The art of delegation.
<http://www.talkbiz.com/digest/emt17.html>

Williams, Scott. Delegating strategically.
www.wright.edu/~scott.williams/LeaderLetter/delegating.htm

Class 10 – March 20th – Funding

Case 2: WebTracker

Class 11 – March 24th **Room and Time – TBA**

In-class exercise day

Class 12 – March 27th – Feasibility – **In-class exercise due**

Article 8:

Kerr, William R., Nanda Ramana, and James McQuade. (2014). Financing Entrepreneurial Ventures. *Harvard Business Publishing* – Sections 2.5-2.10 (pages 13-35)

Class 13 – **March 31st Room and time – TBA**

Exam - The exam will cover any materials and content up through this point in the course.

Class 14 – April 3rd – Business Plan

Article 9:

Blank, Steve. (2013). Why the Lean Start-Up Changes Everything. *Harvard Business Review*.

**Not Required:

Sahlman, William A. (1997). How to write a great business plan. *Harvard Business Review*.

Sahlman, William A. (2008). Updating a classic: Writing a great business plan.
<http://hbswk.hbs.edu/item/updating-a-classic-writing-a-great-business-plan>

Class 15 – April 9th – Growth

Article 10:

Eisenmann, Thomas R., and Alison Berkley Wagonfeld. (2014). Scaling a Startup: People and Organizational Issues. *Harvard Business Review*.

Class 16 – April 12th – Social Entrepreneurship

Article 11:

Dees, J.Gregory. (1998, Revised 2001). The meaning of “social entrepreneurship”.

Phills, James A. Jr., Kriss Deiglmeier, and Dale T. Miller (2008). Rediscovering social innovation. *Stanford Social Innovation Review*.

****Not Required (interesting but long):**
Business Planning for Enduring Social Impact

Class 17 – April 16th – Presentations

Class 18 – April 19th – Presentations – Individual report due – Feasibility report due