

# Entrepreneurship: Principles and Practice

*Updated 8/19/13*

ECON 325/PLCY 327, Fall 2013

Sections 001-005: GEC 1015 (Nelson Mandela Auditorium), T 12:30-1:45

Section 001, John Stewart, Gardner 0106, R 12:30-1:45

Section 002, Charles Merritt, Gardner 0309, R 12:30-1:45

Section 003, Deborah Stroman Gardner 0307, R 12:30-1:45

Section 004, Lowry Caudill, Gardner 0008, R 12:30-1:45

Section 005, Maryann Feldman, Gardner 0103, R 12:30-1:45

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Welcome to Introduction to Entrepreneurship, the gateway course to the Entrepreneurship Minor. We thought it would be helpful to explain what we are seeking to accomplish in the course, how it will be organized and what is expected of you. We have also set forth assignments and readings - but expect change as we go along. After all, this is a course on entrepreneurship.

## **The Course.**

An entrepreneur has been defined as one who identifies an opportunity, gathers the necessary resources, creates a venture and takes on ultimate responsibility for its success. This course will create an historical and intellectual context for understanding the entrepreneurial process, examine the sources and process of developing opportunity, explore the different kinds of entrepreneurship (commercial, social, scientific and artistic) and introduce the basic skill sets required of all entrepreneurs.

We plan to employ a number of approaches in this class. All have one thing in common: your active participation. This is not a course for the reticent or the faint of heart. We will employ the case method which is totally dependent on active class participation. We will also engage in strategic planning and class debates. You will be asked to do a number of in-class presentations as a member of a team and this will require you to develop a number of entrepreneurial skills. Finally, we will have a number of entrepreneurs as in-class speakers and you will be expected to be well prepared with thoughtful questions and issues to pose to these visitors. As you can see from the syllabus

we plan to use a variety of materials including a number of books, cases, articles and at least one film. All of these materials are topical and on point. You should read them carefully and take them seriously.

### Course Grading.

#### 1. Class Participation (15%).

By completing the assigned reading, preparing for each class and actually participating in class discussion you will sharpen your analytical skills and learn from your classmates. If you don't participate you will miss out on an important part of the class experience. You should also be respectful of all members of the class; we will all benefit from broad-based participation.

One way that we will be measuring your level of preparation for each class discussion is through the administration of brief computer surveys or participating in a blog session. You will be required to complete a brief assignment before 12 noon of the day of most discussion classes. The assignment will be emailed to you in advance and will typically require a short paragraph response. Responses will be graded on a Pass/Fail basis. If no response is entered this will count against the class participation portion of your grade. Additionally, you are required to submit a brief bio on the first day of class. Failing to do so will have an effect on your participation grade. It is important you attend class and we will take attendance. If you must miss a class, notify an instructor **in advance**. Unexcused absences will result in a deduction from your class participation grade.

Interaction with Speakers: We plan to have [six] accomplished speakers during the semester. All of you will have a chance to engage them during class. Some of you will have an opportunity to have lunch with one of them or talk with them after class. Take advantage of the opportunity. Getting to know accomplished entrepreneurs is one of the best ways to become one.

Additionally, if you wish to complete the minor, meeting with Cate Tidwell according to the schedule set forth in the "Minor" section of this syllabus will also be included in your participation grade.

Class participation will account for 15% of your grade.

#### 2. Team Projects (25%).

You will each be assigned to a team that will make two class presentations during the semester. This will require a significant amount of work outside of class. You will be involved in both generating the substantive ideas for the presentation and in creating and delivering the presentation itself. Making the pitch is an important part of entrepreneurship and these presentations will give you a chance to begin developing this skill. Each team member will be asked to evaluate their teammates. This evaluation will factor into each individual grade. Team projects will count for 25% of your grade.

#### 3. Exam (40%).

The only exam in the course will be the final exam. It will be designed to be a learning experience as well. We will let you know in advance what to expect and we will give you an opportunity to employ what you have learned in class to one or more practical problems. In short, we will give you an opportunity to think like an entrepreneur while employing the perspective and set of skills you have acquired in the classroom.

#### 4. Written assignments (20%).

During the course of the semester there will be approximately five short written assignments. These written assignments will count for 20% of your course grade. Please be sure to put your name at the top of every assignment.

5. Procedures: Written assignments will be turned in using the digital drop box feature of Sakai. A file name convention will be given for each assignment. There will be a one letter grade penalty for late and improperly named assignments.

### What We Hope You Will Learn.

1. To apply a theoretical framework to practical problems;
2. To understand what it takes to be an entrepreneur;

3. To determine if you are an entrepreneur; and
4. To recognize the problems all entrepreneurs face and how to think about solving those problems.

To accomplish these general objectives we will focus on the following skill sets:

- A. Identifying entrepreneurial opportunities; evaluating potential customers and considering how to create a potential product offering;
- B. Becoming familiar with reading and analyzing financial statements;
- C. Conducting research to analyze competition, market trends, industry structures, and other issues relevant to your opportunity;
- D. Developing a strategy to address an entrepreneurial opportunity, including identification of value proposition, target markets, and business model; and
- E. Presenting an opportunity in a convincing manner

#### What We Expect of You.

1. Attendance: We expect you to attend all class meetings unless you must be absent because of illness or an unavoidable problem. Notify your professor or the class assistant **in advance** if you must miss a class, and talk with them in person after you return.
2. Participation: We cannot emphasize enough the importance of participation in every aspect of this class. There is no way to learn the skills we are seeking to teach you without becoming actively engaged in all aspects of the class. We understand that different people participate in different ways, and therefore we will take into account both class discussion and discussion board posts when evaluating overall class participation. Entrepreneurship is not a spectator sport and you cannot become an entrepreneur (or, equally important, learn you are not an entrepreneur) by sitting on the sidelines.

#### What You Can Expect of Us.

We'll try to be well prepared for each class, answer your questions (there are no dumb questions) and facilitate discussion so that everyone who wants to participate has an opportunity and even those of you who are reluctant are encouraged. In short, we want you to succeed in this course and we want to pave the way for your participation in the remainder of the courses in the Minor. We want you to come away feeling like you have received as much back as you have put in.

#### The Minor.

Students who plan to complete their internship during the summer of 2014 must:

- Attend the internship program overview meeting at 4pm on Wednesday, September 4th. If you have a class conflict, please let Cate Tidwell know.
- Submit your internship interest form by 5pm on Friday, September 6th. All forms and due dates can also be found online at: <http://www.unceminor.org/page/important-internship-documents>
- Attend an individual meeting with Cate during the fall semester (before Nov. 1) to discuss your internship interests. Schedule your meeting via <http://www.doodle.com/cate.tidwell>.
- Attend a resume and cover letter workshop (date TBD). Your resumes are due at 5pm on Friday, November 1st.
- Attend an internship panel and pre-departure meeting in the spring (dates TBD).
- Your learning contract will be due at 5pm on Monday, April 14th. You should have secured your internship by then!

#### The Readings.

- Peter F. Drucker. Innovation and Entrepreneurship. Harper Business, 1985. ISBN 0-88730-618-7
- Alexander Osterwalder & Yves Pigneur, Business Model Generation. John Wiley & Sons, 2010. ISBN

978-0470-87641-1

- Online course: How To Build a Start-up (<https://www.udacity.com/course/ep245>) , requires free registration on Udacity
- UNC Course Pack. (Cases in the schedule identified by case number or title)

*Optional or suggested reading will also be provided.*

*Additional reading material may be assigned and will be posted on the course Sakai site.*

### **Naming Conventions**

Papers must be submitted to the Sakai drop box. The computer file you submit must conform to the following naming convention. **Group\_Lastname\_first initial\_Assign 1.( pdf)** Thus if “Bob Smith” is in Richard’s group (group 2), he would name his file “**2\_Smith\_B\_Assign 1.pdf**” Failure to follow the naming convention will result in deduction of points.

Group 1: John Stewart

Group 2: Charles Merritt

Group 3: Deborah Stroman

Group 4: Lowry Caudill

Group 5: Maryann Feldman

**The Schedule.** (Subject to revision, any changes in the schedule will be posted on the course Sakai site.)

<b>Class</b>	<b>Date</b>	<b>Topic</b>	<b>Reading</b>	<b>Assignment Due</b>
<b>Introduction</b>				
1 T	8/20	Introduction: “October Sky”		Complete web “bio” and post to your Sakai discussion forum by 6 pm Wednesday. See Sakai Assignments for details.
2 R	8/22	How to Prepare a Case.	<b>Harvard Case Analysis Coach</b> (This should take you about 90 minutes to complete.) <a href="https://cb.hbsp.harvard.edu/cbmp/access/20366747">https://cb.hbsp.harvard.edu/cbmp/access/20366747</a>	Look at the Web Bios for all classmates in your recitation section.  Complete question on case. See Sakai Assignment for details.

<b>Opportunity &amp; Examples of Entrepreneurship</b>				
3 T	8/27	Innovation and Entrepreneurship.	Drucker: p 21-132 <a href="http://onpoint.wbur.org/2004/12/08/management-guru-peter-drucker">http://onpoint.wbur.org/2004/12/08/management-guru-peter-drucker</a>	
4 R	8/29	Hybrid Entrepreneurship Case Study: Aravind	Course Pack: "The Aravind Eye Hospital, Madurai, India: In Service for Sight" by Kasturi Rangan  "Aravind Eye Hospital 2000: Still in Service for Sight" by Nirmala Kumar and Brian Rogers	Question on Aravind case
5 T	9/3	<b>Speaker: Oakar Oakar of Keona Health</b>	<a href="http://www.keonahealth.com/">http://www.keonahealth.com/</a>	
6 R	9/5	Case Study	Course Pack:  Teach for America, HBS 9-300-084	<b>Assignment 1:</b> Discussion of Opportunity One-Pager  <b>*Internship Interest Form Due at 5pm tomorrow.</b>
<b>Market and Situation Analysis</b>				
7 T	9/10	Introduction to Lean Startup and the Business Model Canvas	Business Model Generation: Read pages 14-50, which introduces the Business Model Canvas  How to Build a Startup (Udacity): Lesson 1: What We Now Know	
8 R	9/12	Strategy Case	Course Pack: "What is Strategy?" by Michael Porter  Course Pack: "Dropbox: It Just Works" by Eisenmann, Pao & Barley	Question on Dropbox case. See Sakai Assignment for details.
<b>Marketing and The Pitch</b>				

9 T	9/17	Positioning the Product and Pitching	Course Pack: "Marketing Success Through Differentiation – Of Anything" by Ted Levitt  "What Business are you in?" by Ted Levitt  "Note on Marketing Strategy" by Robert Dolan  Course Pack: "Discovering New Points Of Differentiation" by Ian C. MacMillan and Rita Gunther McGrath	
10 R	9/19	Marketing	Individual Presentations  Business Model Generation: Read pages 126-145 to learn more about two key design concepts: developing Customer Insights and Ideation  How to Build a Startup: Lesson 2: Value Proposition	<b>Assignment 2:</b> Research to vet opportunity from assignment 1  Pick teams
<b>Entrepreneurial Finance 1 (financial statements and basic Accounting)</b>				
11 T	9/24	The three financial statements (Mobil Oil)	Course Pack: "Zipcar: Refining the Business Model" (This case is relevant through 10/4) Online resources	Worksheets on Sakai
12 R	9/26	Cash flow Mobile Oil	Online resources	
13 T	10/1	<b>John Skipper</b>	Video on Vimeo- <a href="https://vimeo.com/28510618">https://vimeo.com/28510618</a> <a href="http://raleighworkshop.tumblr.com/">http://raleighworkshop.tumblr.com/</a>	
14 R	10/3	Finance Case 1 (financial statements)	Course Pack: "Zipcar: Refining the Business Model"	<b>Assignment 3:</b> Working with financial statements. Bring a copy of your assignment to class.
<b>Entrepreneurial Finance 2 (Sources of funding and valuation)</b>				

15 T	10/8	Financing Entrepreneurial Ventures	Crowdsourcing and Lowry's existing lecture  Course Pack:  Bootstrap Finance: The Art of Startups  "How Venture Capitalists Evaluate Potential Venture Opportunities," Roberts & Barley	
16 R	10/11	Analyzing an Investment Opportunity	Sakai:  Email Case	<b>Assignment 4:</b> Would you invest in EMail
<b>Leadership</b>				
17 T	10/15	<b>Speaker: Bubba Cunningham</b>		
	10/17	Fall Break: No class		
<b>Execution</b>				
18 T	10/22	<b>Speaker: Brad Daugherty</b>	NASCAR for sizzle around an NC-grown industry	
19 R	10/24	Execution	Reading assignment will be posted	
20 T	10/29	Ethics	Watch "The Smartest Guys in the Room"	
21 R	10/31	<b>Speaker TBA</b>	Reading assignment will be posted	Work on Class Presentations  <b>*Resume due at 5pm tomorrow.</b>
<b>Branding and Marketing</b>				
22 T	11/5	<b>Speaker: Ruby Lerner of Creative Capital</b>	Course Pack:  ***Creative Capital Case***	Work on class presentations

23 R	11/7	<b>Speaker: Ping Fu, Co- founder of Geomagic</b>		
<b>24 T</b>	11/12	Speaker TBA		Work on Class Presentations
25 R	11/14	Summing Up—A Discussion on The Most Important Lessons From the Course and How They Might Impact the Group Presentations	This is when the working group will be here.	Work on Class Presentations
<b>26 T</b>	11/19	<b>Aaron Houghton</b>		Work on Class Presentations
27 R	11/21	Student Presentations		10 Minute Presentations (see detailed team assignment)
<b>28 T</b>	11/26	Student Presentations		10 Minute Presentations (see detailed team assignment)
	11/28	Thanksgiving No class		
<b>29 T</b>	12/3	Presentation Bakeoff (with prize)		<b>Assignment #5:</b> Teamwork Evaluation
<b>T</b>	<b>Monday 12/9</b>	<b>Final Exam at 12pm</b>		