

ECON 325

Introduction to Entrepreneurship

Tuesdays and Thursdays: 12:30 – 1:45 p.m.

FedEx Global Center Room 1015

Nelson Mandela Auditorium

Fall 2014

Instructors

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Entrepreneurship is not a personality type. It is a mindset. It is the pursuit of opportunity in the face of risk. Peter Drucker said, "It is a practice." Entrepreneurship is doing.

The tools and methodologies of entrepreneurship can be taught, learned and practiced; they can be applied in organizations of all sizes, types and ages.

Goals

- Students should be able to identify, articulate, and support answers to four areas of the Business Model Canvas
 - Value Proposition
 - What is the problem being solved?
 - What is the value being delivered?
 - What product(s) or service(s) will you deliver to the customer?
 - Customer Segment
 - Whose problem are you solving?

- What are the characteristics and size of your customer segments?
 - Cost Structure (at a high level)
 - What are the basic costs inherent in your model?
 - Revenue Streams (at a high level)
 - How much are customers willing to pay?
 - How much revenue can you generate from each customer segment?
- Students should be able to identify a source of opportunity that could serve as the foundation for a new business (for profit, non-profit or hybrid)
- Students should understand and have applied the use of a minimally viable product (“MVP”) in the context of lean startup
- Students should understand how to form and appreciate the power of diverse teams (with diversity defined across multiple areas – race, gender, ethnicity, skills, etc.)
- Students should have a understanding of basic accounting & spreadsheet skills for entrepreneurs

Resources

You will need to register for the free Udacity online course: *How to Build a Startup*. The link is: <https://www.udacity.com/course/ep245>

If you want to learn more about the business model canvas as well as several ideation and design tools, we recommend (but do not require) purchasing *Business Model Generation*, by Osterwalder & Pigneur. We also highly recommend *The Lean Startup* by Eric Ries.

Syllabus Changes

This syllabus sets the schedule, but students must recognize that things change rapidly in this type of environment. We will respond to changes as necessary, and ***we reserve the right to amend the syllabus and assignments as needed.*** We are also finalizing dates for several guest speakers and will revise the syllabus as needed. Any changes will be made with advance notice to you.

Schedule

Class	Date	Topic	Activity & Assignment
1	19 AUG	Introduction to ECON 325	Assignment: Due Aug. 21 <ul style="list-style-type: none"> • Learn about Drucker’s Seven Sources of Opportunity

2	21 AUG	Sources of Opportunity	<p>Assignment: Due Aug. 26</p> <ul style="list-style-type: none"> Find sources of opportunity in 2 other companies on that list from Fast Company
3	26 AUG	Reverse Pitch Day	
4	28 AUG	Reverse Pitch Day	<p>Assignment: Due Sep. 2</p> <ul style="list-style-type: none"> Find one example of a company one of the four areas from the reverse pitches and identify the problem being solved and the customer. Think of one new idea in the area you choose and talk to one potential customer. Come to class ready to discuss. (details will be posted to Sakai). <p>Assignment: Due Aug. 29</p> <ul style="list-style-type: none"> Which topic area would you prefer to work on – give us 1st and 2nd choice via online form.
5	2 SEP	Ideation	<p>Assignment: Due Sep. 4</p> <ul style="list-style-type: none"> Ask 3 people for their ideas on “how might we xxx” statement.
6	4 SEP	Ideation	<p>Assignment: Due Sep. 9</p> <ul style="list-style-type: none"> List of the Top 10 ideas the group has come up with.
7	9 SEP	Ideation	<p>Assignment: Due Sep. 11</p> <ul style="list-style-type: none"> Each group of 8 (1 per 4 people) prepares 2, 1.5 minute pitches of their top idea (showing off their magazine cover).
8	11 SEP	Idea Forum	

9	16 SEP	Team Formation	Assignment: Due Sep. 18 <ul style="list-style-type: none"> • Team bios • Online Course: How to Build a Startup: Lesson 2 – Value Proposition
10	18 SEP	Value Proposition	Assignment: Due Sep. 23 <ul style="list-style-type: none"> • Craft Your Value Proposition
11	23 SEP	Guest Speaker: Jud Bowman, CEO and Founder, Appia	Assignment: Due Sep. 25 <ul style="list-style-type: none"> • Interview at least 8 potential customers • Online: How to Build a Startup: Lesson 3 - Customer Segments
12	25 SEP	Target Market & Customers Segments	Assignment: Due Sep. 30 <ul style="list-style-type: none"> • Interview at least 4 people in each of your three customer segments
13	30 SEP	Customer Segments.	
14	2 OCT	The Minimum Viable Product	Assignment: Due Oct. 7 Create your first MVP
15	7 OCT	The Minimum Viable Product	
16	9 OCT	Initial Tests of the MVP	Assignment: Due Oct. 14 Revised MVP based on Initial feedback.
17	14 OCT	Guest Speaker: Mike Elliott, Noro Moseley Partners (original investors in Appia)	Assignment: Due Oct. 21 Put your MVP with a proposed price in front of at least 4 people.
18	21 OCT	Testing the Value Proposition with the MVP on Customers	Assignment: Due Oct. 23 <ul style="list-style-type: none"> • Come to class with your revenue and cost assumptions
19	23 OCT	Revenue Streams/Model	Assignment: Due Oct. 28: bring your Excel spreadsheet to class with revenue and cost assumptions.

20	28 OCT	Sources of Financing Mini-lecture. Customer acquisition cost	Assignment: TBD
21	30 OCT	Peer review session	
22	4 NOV	Cost Structures	More Customers
23	6 NOV	Refining Your Business Model	Feedback: Minor in E'ship Working Group Members
24	11 NOV	Pitching	
25	13 NOV	Pitching	*
26	18 NOV	Group Presentations	ATTENDANCE REQUIRED
27	20 NOV	Group presentations	ATTENDANCE REQUIRED
28	25 NOV	Group presentations	ATTENDANCE REQUIRED
29	2 DEC	FINAL EXAM DURING CLASS	

Grading

15% Class Participation – Attendance, answered when called up, participating in class discussions & polls – verbally and online.

15% In class and homework assignments

50% Team Project (the Overall project – not the outcome but the process)

- Clear Value Proposition
- Clearly defined and well supported Customer Segments including size of potential markets
- Cost and Revenue structures that are tested – even if they do not work out, prove to us how you know it they do not work.

20% Final Exam – Apply the 4 elements we covered of the Business Model Canvas to another company.

Evaluation

You are NOT being evaluated on the product/service idea you create. You are being evaluated on the process you follow – how well you apply the tools and methodologies being introduced. If your process is solid, you may find that your idea is terrible. That's not failure. That's structured, entrepreneurship-based learning.

Teams

You will work in small teams all semester. *The team will not succeed without you and you will not succeed without your team.* TRUST US when we say the key to having a positive and successful team experience is to physically work together. Some tasks can be completed individually on your own time, but you will follow a better structure, develop a better venture and receive a higher grade if you work together.

Honor Code:

It is expected that you will conduct yourself within the guidelines of the University honor system (<http://honor.unc.edu>). All academic work should be done with the high levels of honesty and integrity that this University demands. If you have any questions about your responsibility or your instructors' responsibility as faculty members under the Honor Code, please see the course instructors.

Seeking Help:

If you need individual assistance, it is your responsibility to meet with an instructor during office hours or to set up an appointment for another time. If you are serious about wanting to improve your performance in the course, the time to seek help is as soon as you are aware of the problem – whether the problem is difficulty with course material, a disability or an illness.

Diversity:

The University's policy on Prohibiting Harassment and Discrimination is outlined in the Undergraduate Bulletin <http://www.unc.edu/ugradbulletin/>. In summary, UNC is committed to providing an inclusive and welcoming environment for all members of our community and does not discriminate in offering access to its educational programs and activities on the basis of age, gender, race, color, national origin, religion, creed, disability, veteran's status, sexual orientation, gender identity, or gender expression or disabilities.

Special Accommodations:

If you require special accommodations to attend or participate in this course, please let the instructors know as soon as possible. If you need information about

disabilities visit the Department of Disability Services website at <http://disabilityservices.unc.edu/> or call (919) 962-8300.