



BUSI 3600A *Entrepreneurial Strategies (Lean Entrepreneurship)* Fall 2014

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| Phone: | 613-520-2600 |
| Office: | 312 St Patricks Building |
| Office hours: | 1 hour prior to lecture and Thursday afternoons |
| Class times: | Thursday 18:00 - 21:00 |
| Lecture location: | TBD |
| Issue date: | TBD |

1.0 COURSE DESCRIPTION

This course targets students who aspire to:

- Own a startup that generates \$1 million annual revenue within three years after completing Sprott's B.Com. Entrepreneurship Concentration or Sprott's Minor in Entrepreneurship
- Work for a startup or an organization that fosters entrepreneurship

In this course you will learn how to validate a customer value proposition, define your venture's market differentiation, develop a business model, assess others' business models, and present your opportunity to external assessors. This course is based on the Lean Entrepreneurship methodology. As a course requirement students will be expected to reach out to people and businesses to evolve and validate their entrepreneurial opportunities.

2.0 PREREQUISITES

BUSI 2800 with a grade of C- or higher and second year standing.

The School of Business enforces all prerequisites. It is your responsibility to ensure that you meet the prerequisite requirements for this course. Lack of prerequisite knowledge may lead to failure in the course. Only the Undergraduate Program Advisor of the School can waive prerequisite requirements.

3.0 COURSE OBJECTIVES

This course enables students to gain experience doing entrepreneurship and developing hard-to find skills, not just make students aware of entrepreneurship.

The course focuses on the entrepreneurial actions that result in the following outcomes:

- Validation of a compelling customer value proposition
- Crafting a differentiated business opportunity
- Creating an evolving and relevant business model
- A presentation to thorough external review panel

4.0 METHOD OF INSTRUCTION

Students will learn key entrepreneurial concepts through experiential learning, lectures, videos and interactions with entrepreneurs. The format of the course consists generally of one 170-minute class meeting per week. The primary role of the course instructor is to lead discussion and experiential learning in practical applications of course concepts. Class sessions entail a mixture of lecture, case study, videos, problem analysis, guest speakers and class discussion. The content of any lecture presumes and expects that you have carefully studied the assigned reading. Lectures emphasize major topics and readings, yet you are responsible for all assigned materials. It requires active learning, which means that the student must take responsibility for the learning that takes place. You must do the readings and homework assigned in order to be prepared for each class. You are encouraged to ask questions and to stimulate discussion on topics that you are of interest to the class.

Students will be required to form and work in groups to do a project with an external people (e.g. local businesses, potential customers and potential stakeholders).

5.0 EVALUATION

Your grade will be determined using the following scheme:

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|--|-------|
| Differentiated opportunity (individual) | 25% |
| Customer value proposition (individual or group) | 25% |
| Business model production and assessment (individual or group) | 25% |
| Final presentation (group) | 25% |
| | <hr/> |
| | 100% |

A group is defined as:

- Students who are actively working together to start a new business: max size 4
- Students who are interested in coming up with an idea to start a business: max size 3
- A group is NOT two or more students getting together to reduce workload on an assignment or business model. Students in a group have to be actively working together towards a common business goal
- All groups have to be initiated by week 3 of the course

Further instructions regarding evaluation elements will be posted on the course site.

No late submission of assignments and group projects will be accepted.

Differentiated opportunity

Students are required to produce a document that clearly differentiates their market offer and business from alternative market offers from the perspective of their target customers. The document should include, but is not limited to answers to questions such as:

- Who are your customers (i.e., who pays and why?)
- What will compel customers to buy from you vs buying from others or not buying at all?
- Clear competitive differentiation

Customer value proposition

Students are required to produce a document that describes the:

- Key characteristics of one target customer in the context of a purchase decision
- Process followed to produce a compelling value proposition for the specific customer
- Value proposition that resulted from following the process
- Suggestions on how to improve the process followed to develop a customer proposition

Business model production and assessment

Students are required to:

- Produce the first version of a business model
- Apply the lessons you learn every week to strengthen your business model
- Present an up-to-date version of the business model when requested
- Assess the business models presented by other students when requested

Final presentation

The final presentation will be to a group of external professionals. The idea of the presentation is to convince the professionals of the value of the opportunity proposed.

6.0 READINGS

Required Text:

- Cooper, B., Vlaskovits, P., Ries, E., *The Lean Entrepreneur: How Visionaries Create Products, Innovate with New Ventures, and Disrupt Markets* (2013), Amazon (Kindle or eformat suggested rather than hardcopy)

Supplemental Readings. Extra reading material links will be posted on WebCT; while students will not be tested on them, these papers will provide added depth and may be helpful in preparing the group project.

The books that the Entrepreneurship Area recommends students who are serious about launching and growing ventures read include:

1. Ries, E. (2011) *The Lean Startup: How Today's Entrepreneurs Use Continuous Innovation to Create Radically Successful Businesses*. Crown Business (ISBN: 978-0307887894)

2. Osterwalder, A. and Y. Pigneur, Y. (2010). Business Model Generation. John Wiley & Sons Inc. (ISBN: 978-0470-87641-1)
3. Horowitz, B. (2014) The Hard Thing About Hard Things: Building a Business When There Are No Easy Answers. HarperBusiness (ISBN: 978-0062273208)
4. Blank, S. and B. Dorf (2012), The Startup Owner's Manual. K & S Ranch (ISBN: 978-0984999309)
5. Thiel, P. (2014) Zero to One: Notes on Startups, or How to Build the Future. Crown Business. (ISBN: 978-0804139298)
6. Maurya, A. (2012) Running Lean: Iterate from Plan A to a Plan That Works. O'Reilly Media (ISBN: 978-1449305178)
7. Weinberg, G. and J. Mares (2014) Traction: A Startup Guide to Getting Customers. S-curves Publishing (ISBN: 978-0976339601)
8. Abrams, R. (2010) Successful Business Plan: Secrets & Strategies Paperback. Planning Shop. (ISBN: 978-1933895147)
9. Scarborough, N.M. and J. R. Cornwall (2014) Entrepreneurship and Effective Small Business Management (11th Edition). Prentice Hall (ISBN: 978-0133506327)
10. Mullins, J. (2013) The New Business Road Test: What entrepreneurs and executives should do before launching a lean startup. (ISBN: 978-1292003740)
11. Alvarez, C. (2014) Lean Customer Development: Building Products Your Customers Will Buy (ISBN: 978-1449356354)
12. Cooper, B., Vlaskovits, P., Ries, E. (2013) The Lean Entrepreneur: How Visionaries Create Products, Innovate with New Ventures, and Disrupt Markets. Wiley. (ISBN: 978-1118295342)
13. Kawasaki, G. (2004). The Art of the Start. London: Penguin Group. (ISBN-10: 1591840562)

7.0 CONDUCT

Professional conduct is built upon the idea of mutual respect. Such conduct entails (but is not necessarily limited to):

- Attending the class. Each class benefits from the attendance and participation of all students. Your grade for participation will be affected by absences. Regular class attendance is important and required. I expect you to attend class and contribute to a quality discussion. Class and team discussion of the materials (e.g., readings, assignments, and cases) are an important part of the learning process. If circumstances prevent attendance at a class meeting, please remember that you are responsible for all materials discussed, handouts distributed, assignments covered, and announcements made.
- Arriving on time. Late arrivals are disruptive to both lectures and class discussion, and show disrespect to those who are on time.
- Minimizing disruptions. You should not leave and re-enter the class. You should avoid engaging in side conversations after class has begun.
- Focusing on the class. While you may take notes on laptops, do not use laptop computers or hand-held devices for other tasks while in class. Activities such as net surfing, and answering email are very impolite and disruptive both to neighbors and the class.
- Being prepared for class. You should be ready to discuss any assigned readings and to answer any assigned questions for each day's class, including being ready to open a case assigned for that day.
- Respect. You should act respectfully toward all class participants. Class participation grading reflects student adherence to these principles; students gain credit for contributing valuable insights and students lose credit if they fail to adhere to any of the above guidelines.

- Cellular phones. The use of cellular phones IS NOT PERMITTED in this class. It is disruptive to the instructor and class members. If you carry a phone to class, please make sure it is turned off. If an emergency situation requires you to keep your cell phone turned on you may wish to keep the silent mode on, please discuss this with the instructor prior to the class starting.

8.0 OFFICE HOURS

The course instructor is available for consultation by email daily, and office hours are generally by appointment. Teaching assistants may be available for consultation depending on budget allocation. Days, times and location will be announced in class by the instructor and posted to the course website, if any.

9.0 SCHEDULE BUSI 3600 Fall 2014

| Week | Date | Topics covered | Assignments (due before class start) | Text Chapters (read before class) |
|-------------|-------------|---|---|--|
| 1 | Sept 4 | Course Introduction Overview, expectations, team formation and class exercises | | |
| 2 | Sept 11 | Ecosystem and meeting the Lean Entrepreneur Developing a blue ocean strategy | Differentiated opportunity out | 1 |
| 3 | Sept 18 | Vision and values Developing a Lean Startup Culture "Over the horizon" - a framework for moving forward | Differentiated opportunity in | 2 |
| 4 | Sept 25 | Intellectual Property guest lecture | | |
| 5 | Oct 2 | Knowing your audience & market segmentation Customer personas: creating a fake customer Choosing your market segment | Customer value proposition out | 3 |
| 6 | Oct 9 | Articulating the value stream Value stream discovery | Customer value proposition in | 4 |

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| 7 | Oct 16 | <i>Customer interaction – listening to your customers</i> | Business model production and assessment | 5 |
| 8 | Oct 23 | Viability experiments | | 6 |
| | Oct 30 | No class | | |
| 9 | Nov 6 | Defining your minimum viable product | | 8 |
| 10 | Nov 13 | Guest lecture TBD | | |
| 11 | Nov 20 | Data analysis – new products and existing products | Business model production and assessment | 7 |
| 12 | Nov 27 | Presentation preparation | | |
| 13 | Dec 4 | | Final Presentations | |

IMPORTANT ADDITIONAL INFORMATION

Required calculator in BUSI course examinations

If you are purchasing a calculator, we recommend any one of the following options: Texas Instruments BA II Plus (including Pro Model), Hewlett Packard HP 12C (including Platinum model), Staples Financial Calculator, Sharp EL-738C & Hewlett Packard HP 10bII

Group work

The Sprott School of Business encourages group assignments in the school for several reasons. They provide you with opportunities to develop and enhance interpersonal, communication, leadership, follower-ship and other group skills. Group assignments are also good for learning integrative skills for putting together a complex task. Your professor may assign one or more group tasks/assignments/projects in this course. Before embarking on a specific problem as a group, it is your responsibility to ensure that the problem is meant to be a group assignment and not an individual one.

Persons with disabilities

Students with disabilities requiring academic accommodations in this course must register with the Paul Menton Centre for Students with Disabilities (PMC) for a formal evaluation of disability-related needs. Documented disabilities could include but are not limited to mobility/physical impairments, specific Learning Disabilities (LD), psychiatric/psychological disabilities, sensory disabilities, Attention Deficit Hyperactivity Disorder (ADHD), and chronic medical conditions. Registered PMC students are required to contact the PMC, 613-520-6608, every term to ensure that I receive your Letter of Accommodation, no later than two weeks before the first assignment is due or the first in-class test/midterm requiring accommodations. If you only require accommodations for your formally scheduled exam(s) in this course, please submit your request for accommodations to PMC by the deadlines published on the [PMC website](#).

The deadline for contacting the Paul Menton Centre regarding accommodation for final exams for the December 2014 exam period is November 7, 2014

Religious observance

Students requesting academic accommodation on the basis of religious observance should make a formal, written request to their instructors for alternate dates and/or means of satisfying academic requirements. Such requests should be made during the first two weeks of class, or as soon as possible after the need for accommodation is known to exist, but no later than two weeks before the compulsory academic event. Accommodation is to be worked out directly and on an individual basis between the student and the instructor(s) involved. Instructors will make accommodations in a way that avoids academic disadvantage to the student. Students or instructors who have questions or want to confirm accommodation eligibility of a religious event or practice may refer to the Equity Services website for a list of holy days and Carleton's Academic Accommodation policies, or may contact an Equity Services Advisor in the Equity Services Department for assistance.

Pregnancy

Pregnant students requiring academic accommodations are encouraged to contact an Equity Advisor in Equity Services to complete a letter of accommodation. The student must then make an appointment to discuss her needs with the instructor at least two weeks prior to the first academic event in which it is anticipated the accommodation will be required.

Academic Integrity

Violations of academic integrity are a serious academic offence. Violations of academic integrity – presenting another’s ideas, arguments, words or images as your own, using unauthorized material, misrepresentation, fabricating or misrepresenting research data, unauthorized co-operation or collaboration or completing work for another student – weaken the quality of the degree and will not be tolerated. Penalties may include expulsion; suspension from all studies at Carleton; suspension from full-time studies; a refusal of permission to continue or to register in a specific degree program; academic probation; and a grade of Failure in the course, amongst others. Students are expected to familiarize themselves with and follow the Carleton University Student Academic Integrity Policy which is available, along with resources for compliance at <http://www2.carleton.ca/sasc/advisingcentre/academic-integrity>

Important Dates & Deadlines

- **September 2-3**
- Academic Orientation. All students are expected to be on campus. Class and laboratory preparations, departmental introductions for students and other academic preparation activities will be held.
- **September 4**
Fall and fall/winter classes begin.
- **September 17**
Last day of registration for fall term and fall/winter courses.
Last day to change courses or sections (including auditing) for fall/winter and fall term courses.
- **September 30**
Last day to withdraw from Fall term and Fall/Winter courses with a full fee adjustment. Withdrawals after this date will create no financial change to Fall term fees (financial withdrawal).
- **October 10**
December examination schedule (fall term final and fall/winter mid-terms) available online.
- **October 13**
Statutory holiday, University closed.
- **October 27-31**
Fall break. Classes are suspended.
- **November 7**
Last day to submit, to the Paul Menton Centre for Students with Disabilities, Formal Examination Accommodation Forms for December examinations.
- **November 24**
Last day for tests or examinations in courses below the 4000-level before the final examination period (see Examinations Regulations in the Academic Regulations of the University section of the calendar).
- **December 8**
Fall term ends
Last day of fall-term classes.
Last day for academic withdrawal from fall term courses.
Last day for handing in term work and the last day that can be specified by a course instructor as a due date for term work for fall term courses.
- **December 9**
No classes or examinations take place.

- **December 10 – 21**
Final examinations in fall term courses and mid-term examinations in fall/winter courses may be held. Examinations are normally held all seven days of the week.
- **December 21**
All take home examinations are due
- **December 25 to January 2**
University closed