

USASBE 2013

**Final Submission
Special Recognition in
Entrepreneurship Education Innovation Award:
Pedagogy**

School:

University of St. Thomas
Schulze School of Entrepreneurship

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Nominee: University of St. Thomas, Schulze School of Entrepreneurship

“Innovation in Experiential Education”

Overview:

The Schulze School of Entrepreneurship is focused on supporting the academic mission of delivering the finest entrepreneurship education available. The Schulze School offers a six-course undergraduate concentration, with four required courses and two electives. The very first course in the concentration sequence, E200, has traditionally been a survey course designed to provide students a theoretical framework and practical understanding of a career in entrepreneurship and business development.

We had a vision for re-designing this course to better reflect our belief that no one is too young to create significant value. To impress this belief upon students, we set out to establish three core elements: 1) The **confidence** that they can start a business, 2) A **connection** between entrepreneurship and the larger picture, and 3) A **community** of resources and support.

We felt that we could accomplish this by moving toward an experiential-based pedagogy, while retaining an important balance with theory. Starting with the spring semester 2012, we organized the course around students launching a business. While this feature is not in and of itself innovative, *how we implemented this and other features* is what made the course innovative and valuable.

The re-designed course focuses on opportunity assessment, unique value proposition, business models, organizational strategy and growth, and some introductory financial concepts. These topics are taught via three core components: 1) The Lemonade Stand Project, 2) Case Studies, and 3) an Industry Analysis Project. The following describes these three components along with a summary of course outcomes from Spring 2012 and Fall 2012 (two course sections each semester with approximately twenty students per section).

1) The Lemonade Stand Project

The central feature of the course was the assignment to launch a business. Students were given two goals with this assignment: to build a brand that could be continued beyond the end of the semester and to achieve revenue by the end of the semester. This assignment was unique because of the requirement that all businesses launched would be loosely based on the same concept, “The Lemonade Stand”. Students could launch any business that captured the spirit of the culturally ubiquitous Lemonade Stand and were granted a great deal of latitude on the approach to this concept. The following actual team projects help illustrate the creative approaches we were seeking:

- Selling winter hats branded “Love Your Melon” with the concept of giving a hat to a child with cancer for every hat sold (this team sold \$4500 of hats in four days and has been featured on two of the Minneapolis new stations);
- Creating an online campus newspaper called “The Lemon” to highlight overlooked or controversial campus news using sarcasm (this team is still in business and now has over 250 Facebook followers);
- Designing and building a wagon add-on kit for a lemonade stand (this product was picked up by a local toy store at the end of the semester and they sold eight units at \$150 each);
- Creating a fund to invest in Kiva entrepreneurs by selling self-designed “Lemonaid” t-shirts (this team sold over \$1000 of t-shirts and lemonade and invested in five entrepreneurs by semester end);
- Developing a workbook to aid kids in starting and managing lemonade stands and related businesses (this team sold 39 workbooks for \$25 a piece, mainly via their website).

Another critical feature of the project was the Hotwash process: Early in the semester students were asked to pitch their concepts to the class and then answer questions regarding target markets, product design, business model, market positioning, and execution. There were several predictable and valuable outcomes to the Hotwash process :

- All students could bear witness to the variety of creative ways to approach a “Lemonade Stand” business;
- Students were exposed to challenges and weaknesses in their plan and had an opportunity to pivot;
- Students began learning how to make a business case and build their confidence to present it to an audience.

In addition to the focus on a lemonade stand and the hotwash process, there were three other elements that made this project unique:

- Mentorship: We put a unique twist on the concept of mentorship by requiring the seniors in our capstone E450 course to serve as mentors to sophomore teams in the E200. This twist created, for the first time in our program, across-course integration. Teams and mentors were required to meet a minimum of 4 times, but all responsibility for scheduling meetings and developing agendas was placed on the E200 students. In the very first engagement with mentors, E200 teams were required to make an investor pitch.
- Web Development: To address a weakness in our students' background, they were required to build a web site and Facebook page in support of their Lemonade Stand business. To facilitate this, all students attended a seminar on building Wordpress web sites given by a successful technology alum. A number of teams went so far as to build e-commerce into their sites, such as the Love Your Melon team (www.loveyourmelon.com).
- End-of-Semester Competition: Each team was required to submit a written report and also present to a panel of alumni judges at the end of the semester, in which

they discussed their concept, goals, execution, results, and lessons learned. The judges selected the top three teams, who were then eligible for internships.

2) Case Studies

For the case study component of E200 we utilized one of our greatest assets: our alumni entrepreneurs. Faculty from the Schulze School have developed a large volume of case studies of new ventures launched by alumni, and the E200 course incorporated three of these. The cases were chosen for their teaching points along with the willingness of the founder to attend class and discuss the case. Typically, the class would prepare and engage in a professor-led case discussion one class and the entrepreneur would come in the following class. One compelling aspect was that all three entrepreneurs had graduated only a few years earlier, so students could better relate to them.

The three cases include:

- ArtsApp.com (Dejen Tesfagiorgis, undergraduate alum of Entrepreneurship) - opportunity identification and developing an e-commerce business;
- Automotion.com (Ben Anderson, undergraduate alum of Entrepreneurship) - business concept evolution and scalability;
- Simply Sport Bikes (Brian Cox, undergraduate alum of Entrepreneurship) - business models and opportunity identification.

3) Industry Analysis Project

We view industry analysis as a critical skill set for our students and we emphasize that students should educate themselves on cutting-edge industries so they know where the world is heading. We integrated these two aspects into a project where student teams were assigned an industry to analyze according to the Porter's Five Forces framework. All industries were in new technology spaces, such as crowdsourcing, file-sharing, and online payments. Students were required to present their findings to the class, so all students in the class came away with exposure to what is happening in several cutting-edge industries.

4) Summary of Course Outcomes

Our experiment in E200 this past spring was a success and we have expanded on it this fall. The Lemonade Stand project was a truly unique experiential project, highlighting the importance of creativity and execution in entrepreneurship. The alumni judges at the final competitions were very impressed and told us over and over, "We couldn't have done that when we were in this class!" They were right to be impressed; we asked a great deal of sophomores in their first entrepreneurship course and several teams more than exceeded our expectations. Furthermore, the level of execution this fall significantly exceeded what we thought was a high level of output last spring.

More importantly, what we heard from students validates that our approach is effectively conveying messages around confidence, connection, and community. In the “Lessons Learned” section of the final paper, articulated thoughts around realizing that they *can start* a business, the importance of being able to communicate a to-the-point value proposition, the need to be persistent and open to adjusting business models, the significance of a support network, the concept that a business is about far more than just making money, and many other valuable lessons.

There were two other outcomes of significance. First and foremost, the level of enthusiasm and maturity from students is already higher. We saw several variations on the following two quotes in course evaluations: “I can honestly say that I will be walking away from this course with a new passion in life,” and “This class has been one of the most influential of my college career.” Students are developing an expanded vocabulary and understanding of core issues. Additionally, they also have a deeper engagement with other students in the Schulze School, and *everyone in our program* is now interested in the “lemonade stands” that are being developed in E200.

Second, the level of enthusiasm for what we are doing is higher *all over campus*. Several articles have been written in the campus newspaper on the E200 course, and as a result we have attracted students from other disciplines to our classes and extracurricular programs:

- (<http://www.tommiemedia.com/news/new-lemonade-curriculum-links-entrepreneurship-classes/>)
- <http://www.tommiemedia.com/diversions/student-business-creates-t-shirts-microfinances-other-entrepreneurs/>
- <http://www.tommiemedia.com/news/entrepreneurship-program-revolutionizes-traditional-lemonade-stand/>
- <http://www.tommiemedia.com/news/lemon-peel-rings-now-available-for-wardrobes/>
- <http://www.tommiemedia.com/news/students-pair-entrepreneurship-project-with-good-cause/>
- <http://www.tommiemedia.com/news/simple-food-pairs-with-hungry-stomachs-teas-and-cheese/>

In conclusion, we have significantly innovated experiential learning in our E200 course to convey messages around confidence, connection, and communication. Our model is especially valuable because it is easily replicable: it is a single-semester course and we do not provide funding to students.