

THE BUSINESS PLAN LABORATORY (EEE 3020/4010/5200)

**Syllabus: Spring 2010
Department of Entrepreneurship
Oklahoma State University**

--a class for any student interested in putting together a plan for an idea of theirs--

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Class Meets: Wednesday 6:45-9:15p

Meeting room: CLB 122

**Hours: T,Th 2-4 pm and by
appointment**

INTRODUCTION

The development of a great business plan for starting a new business or non-profit organization is the focus of this course. The Business Plan Lab is a service course especially intended for non-business students, minors in entrepreneurship, and students writing business plans for new ventures, including those entered in the Riata Business Plan Competition. You do not need to be entered in the Competition to take this course. Students enrolled in Strategic and Entrepreneurial Management (EEE 4513) should not take this course for credit without first talking with the instructor. The Business Plan Lab concentrates on the mechanics of constructing a creative, realistic and effective business plan for a new concept that the student team has generated and developed. Thus, it is intended as a "hands-on" experience that explores process that a person must go through to put together a proper business plan for a start-up venture. No business background is necessary.

HOW THE COURSE WILL BE CONDUCTED

The Business Plan Lab is designed as discussion-oriented tutorial on the key components of a business plan. Thus, each module focuses on a particular section of the plan, explores the key questions that should be addressed in that section, presents approaches to conducting the relevant analysis so that students can answer those questions, and discuss how to present the analysis and conclusions in the plan. Key information sources students might want to consider in each area are also highlighted. The Lab is intended as a "self-help" opportunity for students. Moreover, this laboratory will be the principal method for you to learn how to construct the business plan due at the end of this semester. In this vein, we will highlight specific ventures on which students are working, and illustrate tools and techniques that can be applied in writing the plan for these ventures. Student plans will be used as an example during the Business Plan Lab sessions and supplementary examples are provided in the readings packet.

READINGS AND RESOURCES

a) "The Nuts and Bolts of Business Plans", prepared by the Department of Entrepreneurship, Oklahoma State University

b) Occasional readings to be handed out during the semester

c) A fabulous resource has been put together by the EEE Department and the OSU Library to help you in doing the research for your plan can be found at

<http://entrepreneurship.library.okstate.edu/>

EXPECTATIONS OF THE STUDENT

You are expected to be totally immersed in your business plan. You are required to come to the laboratory thoroughly prepared, with a set of issues in mind in terms of which questions need to be addressed, what analyses need to be conducted, how to conduct these analyses, and how to draw conclusions from these analyses for each major section of the business plan. Students will be called on with questions pertaining to their plans and how a given point in the discussion might relate to their plans. In addition, students have to bring to the class parts of the plan that they have prepared to date. Students are also encouraged to prepare the section of their business plan on the topic specified for a given week. If you have questions about other sections of the plan (i.e. other than the section being focused upon in a given week), please contact the instructor during office hours. Sample business plans can be viewed in the Riata Center for Entrepreneurship.

You are required to submit an idea for a new business opportunity on or before Friday January 27, 2010 on the form "Business Concept Proposal" provided in class. While they can be done alone, business plan teams should consist of three to five members, preferably with mixed backgrounds or majors. Each team represented in the Laboratory and entering the Riata Business Plan Competition is eligible to receive a mentor who will give them feedback on their plan.

GRADING

There are no exams in this course. Our focus is business plans and how they are prepared, and so the evaluation center on writing and critiquing plans.. Below are the course requirements:

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| • Participation (including attendance at finals of Riata Business Plan Competition) | 20% |
| • Completion of 8 sections of a business plan* | 70% |
| • Analysis of an existing business plan | 10% |
| | <hr/> 100% |

*If you complete a **full** business plan of at least 35 pages with appendices you will automatically get an A for this 70% component

BENEFITS OF THE BUSINESS PLAN LABORATORY

1. LIVING THE ENTREPRENEURIAL EXPERIENCE

Completing a business plan while in school is an enormous challenge - not only do you have to complete a major project while doing other courses, you also may be working with team members possessing a diverse set of skills and preferences. The development process for the business plan is an invaluable experience, especially since it is relatively “risk-free” and under supervision as part of a course. At the same time, the exercise closely mimics the “real” experience a potential entrepreneur has to live through and a number of student teams in years past have actually started ventures based on the plans developed in entrepreneurship courses.

The study of entrepreneurship requires an interactive environment and the business plan project is a simulated entrepreneurial experience. Communication and persuasion are critical to any entrepreneurial endeavor and the business plan project helps to develop essential analytical, written and oral skills. In the final analysis, we can promise you that the business plan document will be one of the most impressive documents in your professional portfolio. As planning is relevant for every business, your business plan is guaranteed to be a valuable topic for discussion when interviewing with prospective employers --- no matter what business they are in.

2. EXTRA CREDIT OPPORTUNITY (*up to 5% in extra credit*)

There is one extra credit opportunity for EEE 3020. Students can earn up to 5 points on their course grade by having their concept and executive summary critiqued independently by a banker, private or angel investor or venture capitalist, with written feedback from this evaluator. This feedback cannot come from a judge in our business plan competition.

3. COMPETITIONS

The Department of Entrepreneurship supports the Capstone Business Plan Competition involving teams from EEE 4513 each semester, the Riata Business Plan Competition, and the Carrot Capital Competition, a national event. We also send OSU teams to the Enterprise Creation Competition, the Nebraska National Business Plan Competition, and the Venture Challenge in San Diego. Teams in the Business Plan Laboratory will have a leg up for these competitions, and the instructor will work with teams who would like to enter one or more competitions.

Especially important for our purposes is the **Riata Business Plan Competition**. The course is scheduled in the Spring semester to coincide with the campus-wide competition. This competition offers students \$40,000 in prize money. Any team formally entered in the competition is eligible to sit in on the Business Plan Lab, with or without registering for the 1 hour of credit. The more involved in the Lab that teams become, you are guaranteed to produce a higher quality plan that will be more competitive.

For lots of details on the competition, deadlines, judging, past winners, etc., all students are encouraged to go to the website at <http://entrepreneurship.okstate.edu/competitions/>

BUSINESS PLAN LAB SEMESTER SCHEDULE

Below is a schedule of topics for the meetings of the laboratory. The sessions correspond to sections of the business plan as outlined in the **Nuts and Bolts** document. Be prepared on the indicated evening with questions about each particular section of the plan as it relates to your own venture concept. We may move at a slower or faster pace depending on student needs.

Session 1: W 1/20 (*Getting Started*)

Introduction to the Lab; The What and Why of a Business Plan; Understanding the Logic of the Plan; Understanding Your Audience; Organizing Your Team and Your Time; Overcoming Flaws in Plans ; Ideation and Concept Generation; Business Concept Selection and Team formation; Writing Up the Business Concept and Ensuring All the Value-Creating Components Are Touched Upon;

Session 2: W 1/27 (*Sections I and II Of Plan*)

Assessing the Industry in Which You Will Operate: Definition, Size, Structure, Trends and More; The Company, Products and Services to be Sold; Differentiation; Creating Barriers;

Session 3: W 2/3 (*Section III Of Plan*)

A Look at Your Market: Market Definition, and Putting Numbers on Market Size and Potential

Session 4: W 2/10 (*Section III Of Plan*)

More on the Market: How Your Buyers Buy and How to Segment Them and Prioritize Target Audiences, How to Analyze Competitors and Establish Competitive Positioning

Session 5: W 2/17 (*Section IV Of Plan*)

The Economics of the Business: Determining the Cost Structure, Estimating Breakeven and Evaluating Operating Leverage

Session 6: W 2/24 (*Section V Of Plan*)

The Creative (and Guerrilla) Marketing Plan; Promotional Mixes, Pricing and Distribution

Session 7: W 3/3 (*Section VI Of Plan*)

How to Write Up Design & Development; What to Cover on Technology and Information Systems; How to Deal with Intellectual Property

Session 8: W 3/10 (*Section VII Of Plan*)

Operations, Production and Service Delivery, and Logistics;

SPRING BREAK: 3/15 - 3/19

Session 9: W 3/24 (*Section XI Of Plan*)

Setting Up Pro Forma Financial Statements: Cash Flow, Income Statement, Balance Sheet

Session 10: W 3/31 (*Sections VIII & XII Of Plan*)

The Management Team, Boards and Advisors; Human Resource Management Needs; Structuring the Offering or Proposed Deal

Session 11: W 4/7 (Sections IX & X Of Plan)

The Growth Plan; What to Say About Risks and Contingencies; Putting Together the Master Timetable; Tying Up the Loose Ends and Putting it All Together; Writing the Executive Summary

Session 12: W 4/14 Tips for Presenting a Business Plan to Investors and Judges**Session 13 & 14: 4/23-4/24: Finals of the 2010 Riata Business Plan Competition (you must attend both half-days of the presentations)*****Schedule for 2010 RIATA BUSINESS PLAN COMPETITION***

November 15, 2009:	Competition Opens
December 15, 2009:	Intents to Compete Due
January 20, 2010:	Reception for all Entrants and Kick Off of Business Plan Lab
January 27, 2010:	Business Plan Lab--Sections I and II of Plan
February 3, 2010:	Executive Overview Due (this is not an Executive Summary)
	Business Plan Lab—Section III of Plan
February 10, 2010:	Business Plan Lab—Section III of Plan
February 17, 2010:	Business Plan Lab—Section IV of Plan
February 24, 2010:	Business Plan Lab—Section V of Plan
March 3, 2010:	Business Plan Lab—Section VI of Plan
March 10, 2010:	Rough Draft of Plan Due
	Business Plan Lab—Section VII of Plan
March 24, 2010:	Full Business Plan Due
	Business Plan Lab—Section XI of Plan
March 31, 2010:	Pool Cut to 16 Finalists
	Business Plan Lab—Sections VIII and XII of Plan
April 7, 2010:	Business Plan Lab—Sections IX and X of Plan
April 14, 2010:	Finalist Revised Plans Due
	Business Plan Lab—Tips for Presenting a Business Plan to Investors and Judges
April 23-24:	Finals of the 2010 Riata Business Plan Competition