

## ***My Goal Is To Take You***

***From This***



***To This***



***If we work upon marble, it will perish. If we work upon brass, time will efface it. If we rear temples, they will crumble to dust. But if we work upon immortal minds, and instill into them just principles, we are then engraving upon that tablet that which no time will efface, but will brighten and brighten to all eternity.***

**Daniel Webster – American statesman**

DEPARTMENT OF MANAGEMENT AND QUANTITATIVE METHODS  
COLLEGE OF BUSINESS ILLINOIS STATE UNIVERSITY

***MQM224: Entrepreneurship I***

*Life's too short to build something nobody wants* – Ash Maurya, Running Lean

*Customers don't care about your solution. They care about their problems.* – Dave McClure, 500 Startups

*The only way to win is to learn faster than anyone else* – Eric Ries, Lean Startup

*You don't learn until you launch* – Dan Norris, 7 Day Startup

*"Some men see things as they are and say, why. I dream things that never were and say, why not"* – George Bernard Shaw

**INTRODUCTORY VIDEO TO WATCH**

**Course Intro and General Details:**

<http://streaming.ilstu.edu/vod/dwinkel/MQM224Intro.mp4>

**For Inspiration and Fun:** <https://www.youtube.com/watch?v=T6MhAwQ64c0>

*The way to empower people is by creating an environment where they naturally start making decisions for themselves. That's true empowerment. Leaving space, creating trust, and having the full faith that someone else will rise to the challenge **themselves**.* – Jason Fried, 37Signals

**INTRODUCTORY STEPS TO TAKE (*BEFORE CLASS ON JANUARY 12<sup>TH</sup>*)**

1. Watch the Course Details video above
2. Begin to review the Lean Canvas “workshops” in the table below
3. Begin to develop an impactful business concept that you can make a reality in 15 weeks (i.e., no restaurants, no hotels – these are too big. Also, no t-shirt business, no DD service, no snow shoveling business – these have insignificant impact). How do you do this? **PLEASE** don't take the easy road – that's a lame choice. Instead, identify a problem someone has and how you can solve it. Think of what you already have that you can use. Ask questions (of anyone, *myself included*). Rather than work forward from technology or a complex strategy, work backward from the needs of the customers and build the simplest product possible. Need some inspiration? Here you go: <http://www.youtube.com/watch?v=yDc4zjAdp5A> Not doing it for you? Here's another: <http://bit.ly/1GKh2qe>. And a couple more: <http://bit.ly/13H9mGr> and <http://bit.ly/1kc9IZN>. I don't want to hear “*that's not possible*” or “*I can't do this*” or “*I don't know where to start*”. It's all possible, it's very doable, and I'll help you get started.

## INTRODUCTION TO LEAN CANVAS

One of the tools we will use in this course is Ash Maurya's Lean Canvas. You can find more information about Ash here: <http://practicetrumpstheory.com/>. I highly recommend you get and read a copy of his book *Running Lean*. Below you have access to four series' of lessons that complement this book. I suggest you review these "workshops" and read the book right away.

<u>Raise Your Odds of Building Successful Products Workshop</u>	<u>Actionable Metrics Workshop</u>	<u>Lean Stack</u>
Lesson 1 Why Products Fail: <a href="https://www.youtube.com/watch?v=ouHDNBT_leg">https://www.youtube.com/watch?v=ouHDNBT_leg</a>	Lesson 1 Establish a Standard Measure of Progress: <a href="http://www.youtube.com/watch?v=9PLzNbrnr1U">http://www.youtube.com/watch?v=9PLzNbrnr1U</a>	Lesson 1 Overview <a href="http://leancanvas.com/lessons/leanstack/overview?wemail=">http://leancanvas.com/lessons/leanstack/overview?wemail=</a>
Lesson 2 The 20 Minute Challenge: <a href="http://www.youtube.com/watch?v=7o8uYdUaFR4">http://www.youtube.com/watch?v=7o8uYdUaFR4</a>	Lesson 2 Cohorts: <a href="http://www.youtube.com/watch?v=KSZ2t4h_lkU#a&amp;t=415">http://www.youtube.com/watch?v=KSZ2t4h_lkU#a&amp;t=415</a>	Lesson 2 Defining Success <a href="http://leancanvas.com/lessons/leanstack/success-metrics">http://leancanvas.com/lessons/leanstack/success-metrics</a>
Lesson 3 Top 10 Pitfalls: <a href="http://www.youtube.com/watch?v=5sn7pZXY5b4">http://www.youtube.com/watch?v=5sn7pZXY5b4</a>	Lesson 3 Lifecycle Messaging: <a href="http://www.youtube.com/watch?v=8f87fwnlMg8">http://www.youtube.com/watch?v=8f87fwnlMg8</a>	Lesson 3 Key Objective <a href="http://leanstack.com/lessons/leanstack/key-objective">http://leanstack.com/lessons/leanstack/key-objective</a>
Lesson 4 Prioritizing Risks: <a href="http://www.youtube.com/watch?v=01z7EPXS42k">http://www.youtube.com/watch?v=01z7EPXS42k</a>	Lesson 4 Split-test Experiments: <a href="http://www.youtube.com/watch?v=E5-GXwbdkUs">http://www.youtube.com/watch?v=E5-GXwbdkUs</a>	
Lesson 5 Run Experiments: <a href="http://www.youtube.com/watch?v=WiMZWCg1Hu8">http://www.youtube.com/watch?v=WiMZWCg1Hu8</a>	Lesson 5 Case Study: <a href="http://www.youtube.com/watch?v=gU3MZxW3uXw">http://www.youtube.com/watch?v=gU3MZxW3uXw</a>	

<u>Customer Factory</u>
Lesson 1 The Blueprint: <a href="http://streaming.ilstu.edu/vod/dwinkel/Customer%20Factory%201.mp4">http://streaming.ilstu.edu/vod/dwinkel/Customer%20Factory%201.mp4</a>
Lesson 2 The 10X Launch: <a href="http://streaming.ilstu.edu/vod/dwinkel/Customer%20Factory%202.mp4">http://streaming.ilstu.edu/vod/dwinkel/Customer%20Factory%202.mp4</a>
Lesson 3 The Blueprint Finale: <a href="http://streaming.ilstu.edu/vod/dwinkel/Customer%20Factory%203.mp4">http://streaming.ilstu.edu/vod/dwinkel/Customer%20Factory%203.mp4</a>

*There are three sorts of people in the world: Those who are immovable, people who don't get it, they don't want to get it, they're not going to do anything about it; there are people who are movable, people who see the need for change and are prepared to listen to it; and there are people who move, people who make things happen. – Benjamin Franklin*

## MY PROMISE TO YOU

- I will not ask you to do anything I'm not willing to do myself. That's because *I will be a student in this class as well*. Follow along at <http://teachinglean.com/>
- I will take you seriously and will always believe in your ability to achieve
- You will own your own experience; you drive the bus, I am just a tour guide
- If you jump in, this course will help you answer three questions about yourself:
  - "What makes me special?"
  - "Do I have what it takes to be an entrepreneur?"
  - "Do I want to be an entrepreneur?"
- You will have the opportunity to develop the following "entrepreneurial toolkit" that will allow you to successfully innovate in whatever professional life you choose to lead:
  - Entrepreneurial mindset
    - Productive thinking (the interplay of creative and critical thinking to solve a problem or take advantage of an opportunity)
    - Self-confidence in your ideas and abilities
    - Idea generation / opportunity recognition & evaluation
    - Risk-assessment, and marshaling and leveraging resources
  - Entrepreneurial (21<sup>st</sup> Century) skill set
    - Risk-Taking: *you have the chance to set your ideas, opinions and actions free to be prone to criticism and debate. You can experiment with different ideas and different approaches and jump out of your comfort zone. What is there to lose?*
    - Embracing failure: *you will fail in this class, many times and in many ways. You will learn to shake it off, to learn from it. You will hopefully learn to never stop failing.*
    - Collaboration: *you will not succeed by yourself, so we will create a synergy station by having open conversations*
    - Communication: *you will practice, develop and share effective, clear, persuasive written, oral, and presentation communication*
    - Curiosity: *this class, this semester and thus your experience is a mystery. You must imagine it, and should do so by asking questions.*
    - Critical thinking: *you can suspend judgment, maintain a healthy skepticism, and exercise an open mind. In other words, you'll be able to examine, interrogate, and investigate.*
    - Creative thinking: *you have choice, in what ideas and learning to pursue and how to pursue it, although it should be some combination of generating many unique ideas and then combining those ideas into the best result. You will learn best by envisioning and doing tasks you enjoy that only you could come up with*
    - Imagination: *you are all flooded with ideas at any given time, now you have a chance to be aware of the ideas and harness your imagination*
    - Innovation: *you have the opportunity to apply your creative energy by turning your ideas into reality*

## THE OPPORTUNITIES

- You engage in meaningful learning
  - You must care deeply about the issues involved in your thinking
  - You will have ample opportunity to apply learning to meaningful problems
- You provoke your imagination
  - Nothing is off limits (except of course anything considered “illegal” by the university or law enforcement communities)
  - You can explore all possibilities and develop and compare any and all solutions
  - You can understand the implications and consequences of real-world choices
- You ask *your* questions
  - Questions help construct knowledge; they point to the holes in our memory structures and are critical for indexing the information that we obtain when we develop an answer for the inquiry
  - People learn deeply when they are trying to solve problems or answer questions which they find important, intriguing, or beautiful
  - We ultimately cannot learn until the right questions are asked
- You try, you can fail, and you succeed
- You start your own business
  - I will provide you tremendous resources – you choose how to leverage them to make the most of this experience

*Our task today is to find singular ways to create the new things that will make the future not just different, but better. The essential first step is to think for yourself. Only by seeing our world anew, as fresh and strange as it was to the ancients who saw it first, can we both re-create it and preserve it for the future - Peter Thiel “Zero to One*

## THE CONVERSATION

- How will we understand the nature and progress of our learning?
  - You learn at your own pace – the choice is yours because all the material is at your fingertips from day one.
  - I will confront you with real-world problems and encourage you to grapple with these issues. I invite you to enhance our learning environment by unleashing your real-world problems and questions.
  - I will ask for your expectations, communicate mine, and we will reconcile those
  - My goal is to help you examine and assess your own learning and thinking, and to help you learn more effectively, analytically, and actively.
    - We will develop authentic tasks to arouse our creativity, and challenge us to rethink our assumptions and examine our mental models of reality
    - We will create a safe environment in which we can try, fail, receive feedback, try again, and succeed!
- We are fortunate to have [Michael Luchies](#) bringing his entrepreneurial and educational experience to the course as an Entrepreneurship Lecturer. Michael graduated from Bradley's entrepreneurship program, ran the [Collegiate Entrepreneurs' Organization](#) for many years, and has been involved in multiple startups. He has helped plan this course, will attend most class sessions and will be available via email or phone to answer questions and provide feedback on your ideas and your journey.

## **HERE ARE THE NITTY GRITTY SPECIFICS OF THE CLASS**

You get to evaluate yourself at the end of the course; you entirely own the evaluation process!

- The overall goal of this course
  - Acquire skills and tools necessary to seize an opportunity and design and execute a business model that meets real customer needs
- The final deliverable (in addition to authentic sales)
  - If you are developing a physical product, you should have (*at least*) a physical prototype
  - If you are developing a web product, you should have (*at least*) customers using it
- The learning objectives of this course:
  - Identify and evaluate potential business opportunities in the marketplace
  - Develop hypotheses and experiments for testing start-up business model elements
  - Gather primary and secondary market research to draw conclusions about hypotheses and make appropriate business model pivots
  - Communicate a new venture story effectively to others
- To effectively accomplish these objectives, you need to answer (*at least*) these questions:
  - “Do people want this?” “How much will they pay for this?” “How much does it cost to acquire customers?” “What is the market size?”
- **Specifically, you will grade yourself on these three questions:**
  - *Did you find early customers and confirm their intent to buy before building?*
  - *Did you validate your business model with quality data?*
  - *Did you obtain authentic sales from strangers?*
- **Your only choice of grades are A, B, or F**
  - What happened to C and D? There’s no such thing as “almost success” or “almost fail”. You either meet (B) or exceed (A) your goal, or you fail at meeting your goal (F). Welcome to the real world.
  - To get an A, you must complete a track (*other than “Starting a Business”*) through Treehouse (<http://teamtreehouse.com/tracks>)
  - A-level effort means you exceeded expectations, you stunned yourself, you became famous. This means there is absolutely no hesitation in answering a thundering “**YES!!!**” to those three questions above.
  - B-level effort means you gave it the old college try, you worked at your business, but also blew it off sometimes, you made some progress but could have done much more. This means you hesitate or answer “*Yeah, but . . .*” or “*No, but . . .*” to any of the three questions above.
  - Anything less than that is F-level effort. If you never checked in, if you blew off the class for the majority of the semester, if you tried your hardest to figure out how to get by doing as little as possible, you deserve an F. And shame on you.

**THE COURSE STRUCTURE (subject to change by instructors)**

<b><u>Date</u></b>	<b><u>Topics and Classroom Activity</u></b>	<b><u>Deliverables</u></b>	<b><u>Suggested Pre-Work / The Big Question To Be Answered</u></b>
1/13	Huh?!?!?!?	Get excited	Understand this document Goals: <a href="http://bit.ly/1dSoMqM">http://bit.ly/1dSoMqM</a> Build a Startup: <a href="http://bit.ly/JhPBVe">http://bit.ly/JhPBVe</a>
1/15	Problems	Doan's problem choice	Find a problem: <a href="http://bit.ly/1miBjYj">http://bit.ly/1miBjYj</a> Solve a problem: <a href="http://bit.ly/1bK565r">http://bit.ly/1bK565r</a>
1/20	Your Legacy	Your legacy	<i>What mark do you want to leave? What do you want to be remembered for? Be specific</i>
1/22			
1/27	Your Questions	Your questions	All In Startup (Chunk 1: Startups Are About Finding Customers, Not Building Products) – Chapters 1-7  <i>What are the questions that piss you off? What questions can you not answer that nag you?</i>
1/29			
2/3	Asking Better Questions	\$1 Challenge	All In Startup (Chunk 2: People Don't Buy Products or Services, They Buy Solutions to Their Problems) – Chapters 8-14  <i>How can you get richer information from people around you? (Watch <a href="http://bit.ly/1Gej7dI">http://bit.ly/1Gej7dI</a>)</i>
2/5			
2/10	Selling	\$10 Challenge	All In Startup (Chunk 3: Successful Entrepreneurs Are Detectives, Not Fortunetellers) – Chapters 15-25  <i>How do you approach strangers and get what you want? (Watch <a href="http://bit.ly/1zRaBh3">http://bit.ly/1zRaBh3</a> and <a href="http://bit.ly/1BzNGe8">http://bit.ly/1BzNGe8</a>)</i>
2/12			
2/17	Their Problem		All In Startup (Chunk 4: Successful Entrepreneurs Are Luck Makers, Not Risk Takers) – Chapters 26-43  <i>What struggles do potential customers have? What frustrations do they experience? What gaps are they currently bootstrapping solutions to?</i>
2/19			
2/24	Their Real Problem		<i>Digging deeper, what is the real cause of their problems?</i>
2/26			

3/3	Vitamin or Cocaine	Traction Plan	<i>How can you deliberately build a powerful solution to real problems?</i>
3/5	Idea Fair	5 Word Business Concept	Why Business Models Fail: <a href="http://bit.ly/KuwpDq">http://bit.ly/KuwpDq</a> Launch Small and Early: <a href="http://bit.ly/P9xKnl">http://bit.ly/P9xKnl</a>
3/10	<b><i>SPRING BREAK!!!</i></b>		
3/12	<b><i>SPRING BREAK!!!</i></b>		
3/17	Your Bad Solution 1.0	7 Day Startup Plan	<i>How do you set your solution free? (It will be bad, but you need the feedback!) (Watch <a href="http://bit.ly/1yARiX9">http://bit.ly/1yARiX9</a>)</i>
3/19			
3/24	Their Environment	Marble Game Challenge	<i>What is the larger context of potential customers?</i>
3/26			
3/31	Your Bad Solution 2.0		<i>Try again, fail again, learn again</i>
4/2			
4/7	Prototyping (Death to Features)		<i>How do you build something some can actually use?</i>
4/9			
4/14	User Testing		<i>What can you learn from real customers actually using your product/service?</i>
4/16			
4/21	Show Me the \$\$\$		<i>Where can you find resources?</i>
4/23			
4/28	Scaling		<i>How do you grow?</i>
4/30			



## 7 DAY STARTUP ACTIVITY

This is your chance to put your experience on steroids!

The goal is to go from idea to launch in seven days!!

Seriously - you get seven whole days!!!

Here is a quick overview – I'll provide more details prior to spring break for you to consider if you want to try this out:

Day	General Topic	Basic Task to Accomplish
1	A Bootstrapped Business Idea	Brainstorm ideas & evaluate against checklist
2	Minimum VIABLE Product	Write exactly what you'll launch on Day 7. What will customers get, what's included, what's excluded? What is automated and what will be done manually?
3	Choose a Business Name	Develop 5 names & evaluate against checklist
4	Build a Website in a Day	Set up a website
5	Marketing Your Business	List the marketing methods you'll use. Assemble a rough plan for 2 weeks after launch
6	Set Targets	Create a spreadsheet that covers the first months after launch; # signups, revenue, estimated costs, monthly growth, etc.
7	Launch!	Launch and watch customers buy

## COURSE INFORMATION

<b>Teacher:</b>	Doan Winkel
<b>Course Number &amp; Title:</b>	MQM 224 – Entrepreneurship I
<b>Prerequisites:</b>	Students must have met the prerequisites in order to remain in the class.
<b>Credit Hours:</b>	3 Credit Hours
<b>Texts That Inspired And Informed This Course:</b>	<p><a href="#"><i>All In Startup: Launching a New Idea When Everything Is On The Line</i></a> – Diana Kander</p> <p><a href="#"><i>Traction: A Startup Guide to Getting Customers</i></a> – Gabriel Weinberg and Justin Mares</p> <p><a href="#"><i>The 7 Day Startup: You Don't Learn Until You Launch</i></a> – Dan Norris and Rob Walling</p> <p><a href="#"><i>Running Lean: Iterate From Plan A to a Plan That Works</i></a> – Ash Maurya</p> <p><a href="#"><i>Value Proposition Design: How to Create Products and Services Customers Want</i></a> – Alexander Osterwalder, et al.</p>

## DOAN'S CONTACT INFORMATION

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## MICHAEL'S CONTACT INFORMATION

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## **ILLINOIS STATE UNIVERSITY COLLEGE OF BUSINESS**

### **ACADEMIC INTEGRITY**

Students enrolled in College of Business classes are expected to maintain high standards of ethical conduct within the classroom and when completing assignments, projects, and/or exams. Plagiarism and other forms of academic dishonesty such as cheating will not be tolerated. Students are expected to provide appropriate citations for non-original writing even if the original work is paraphrased. Penalties for plagiarism and other forms of academic dishonesty may be severe.

### **PROFESSIONAL STANDARDS**

All students in this course are expected to be familiar with the "College of Business Standards of Professional Behavior and Ethical Conduct." (refer to <http://www.cob.ilstu.edu/professionalstandards>) Please note that only bottled water may be consumed in the classroom wing of the State Farm Hall of Business and that all cell phones and other electronic devices should be turned off and stored away during classes, unless permission is otherwise granted by the instructor.

### **MISSION**

Through our shared commitment to excellence in teaching, research, and service, we prepare students to be skilled and ethical business professionals who will make significant positive contributions to organizations, to communities, and to our larger society.

### **VISION**

The first choice for business education in Illinois

### **CORE VALUES**

- We value excellence in instruction and enhanced student learning. The College of Business supports the Illinois State University tradition of excellence in teaching. We attempt to provide a holistic approach to learning, relying on excellent classroom teaching but reaching beyond to provide mechanisms for students to engage faculty, industry and each other through experiential learning and individualized attention.
- We value a dedication to knowledge creation. Intellectual contributions and the intellectual discipline required of high quality scholarship are directly related to excellence in the classroom and in our service activities. Most of the efforts of the faculty will fall in the area of discipline-based scholarship as currently defined, but we also value intellectual contributions in the areas of interdisciplinary research, learning and pedagogy, and contributions to practice.
- We value a commitment to citizenship in and service to our institution, state, and nation. Our commitment to a dynamic global business environment demands that we take an active role, both as individuals and as a college of business, in the institutional and public processes related to our disciplines.
- We value a culture of shared governance. We operate in an environment of shared governance and we commit ourselves to an active role in campus shared governance processes.
- We value balanced excellence in the classroom, in research and intellectual contributions, and in service to our institution, our disciplines, and to the local, state, national and international communities.
- We value high ethical standards, as embodied in our Standards of Professional Behavior and Ethical Standards. As a community of scholars and business professionals, we strive to embody the characteristics of responsibility, honesty, trust, respect, and fairness in our professional and personal lives.

### **LINKING THE MISSION, VISION, CORE VALUES, STRATEGIC GOALS AND ACTION STEPS**

Our mission is who we are, who we serve, and why we exist. We strive to achieve our vision. Our core values are the foundation for determining our strategic goals. Our action steps are measurable and help track progress toward our strategic goals.