

Syllabus

MGT 4520 New Venture Planning, Fall Semester 2010

Instructor Ken Snyder
Office: Business Building Office #818
Phone: 435-797-1387
Email: ken.snyder@usu.edu (generally this is the preferred method of contacting me)
Office Hours: 3:00-5:00 every Thursday

Class Schedule:

Days: Tuesdays and Thursdays from Tuesday, August 31st ~ Thursday, December 2nd (except Thursday, October 14th which follows Friday schedule and Thanksgiving, November 25th)
Time: 10:30-11:45 am
CRN: 43305
Classroom: Business Building Room #218

Course Description:

This course is designed to teach you how to develop, present and defend a business plan. We will do this by having you participate in a team that will actually develop a plan. The plans you write should integrate all important business disciplines and be comprehensive. The course is structured around the key elements of a business plan. We will also study issues related to business plan implementation – including gathering resources, developing operational systems, and various potential legal issues.

Prerequisites:

Prerequisites for this class include: (1) admission into the Entrepreneurship program; (2) a 2.67 cumulative GPA; (3) 40 completed credit hours; and (4) Completion of MGT 3510 and MGT 3520.

Course Objectives:

- To learn the skills necessary to develop an effective business plan on your own.
- To develop, present and defend an effective business plan with your team.
- To increase your knowledge of and enthusiasm for entrepreneurship and new venture creation.
- To gain teamwork skills necessary in creating and building a business.
- To give you practice in critical thinking.

Textbook & Readings:

There is no textbook for this class. Some materials will be distributed electronically as noted below. There is a packet of readings which we will use (see below). In order to save you money, we have arranged for you to purchase the materials directly from the Harvard website. You can either purchase an electronic format or a format that allows you to print the materials. Each item should cost a little under \$4. You can purchase all of the materials from the following website: <http://cb.hbsp.harvard.edu/cb/access/6523209>. You will need either the title of the material, or the number to purchase. Both the titles and numbers are listed in this syllabus. If you have any

questions about where the material is located or how to download it, please contact Lindi Brown (lindi.brown@usu.edu, 435-797-2360).

Here is a summary of the materials:

Readings:

- 1) “What is Strategy?” By Michael Porter – HBR reprint # 96608
- 2) “Blue Ocean Strategy” by W. Chan Kim and Renee Mauborgne – HBR reprint # R0410D
- 3) “How to Write A Winning Business Plan” by Stanley R. Rich and David E. Gumpert – HBR reprint # 85314
- 4) “Developing an Elevator Pitch for a New Venture” (to be distributed electronically)
- 5) “New Venture Business Plan Template” (to be distributed electronically)
- 6) “Business Plan Assessment Tool” – (to be distributed electronically)
- 7) “The Art of Making a Great Presentation” – (to be distributed electronically)

Business Plans:

- 8) CupAd Business Plan (to be distributed electronically)
- 9) Imicrofinance Business Plan (to be distributed electronically)
- 10) Planar Circuit Technologies Business Plan (to be distributed electronically)
- 11) Progressive Impressions International Business Plan (to be distributed electronically)
- 12) Revolve Marketing Business Plan (to be distributed electronically)
- 13) Create Magazine Business Plan (to be distributed electronically)
- 14) MindRamp Business Plan (to be distributed electronically)

Innovation Tournament

One of our goals this semester is to have each of you participate in the development of a business plan. The better the plan idea will affect your enjoyment of the process, the more your practical learning will be enhanced, and the more likely you will want to take the idea and make it into a real business. So in order to create the best possible set of ideas, we will run what is called an “Innovation Tournament.” Examples of innovation tournaments exist in several companies and in public venues as well. Think of this exercise as the more contestants we get, the better the performances. The goal is to have the class generate 80-100 ideas (or more!). Examples of Innovation Tournaments are American Idol and Pixar’s movie development selection process. American Idol Carrie Underwood: <http://www.youtube.com/watch?v=VG3SYPzCEWA>
Pixar Cars: <http://www.youtube.com/watch?v=JzwWqkxBb5I>

If anyone is holding back a terrific idea because of concern over protection of the intellectual property, please come talk to me.

In order to choose the best possible ideas, you will be asked to evaluate each business plan idea using four filters:

- 1) Is there a real market? What is the market potential of this idea?
- 2) What is the competitive landscape? Are there lots of competitors? Is that good or bad? Is there a good unique selling proposition?
- 3) Is there a good potential ROI on the venture? Does it have a solid economic model?
- 4) Is this doable? Workable? Real?

When you vote on these filters, you will be asked to vote for your **TOP 10 IN ORDER**.

Grading:

Final grades will be based on the following scale:

Point total	Grade
93-100	A
90-92	A-
88-89	B+
83-87	B
80-82	B-
76-79	C+
65-75	C
60-64	C-
0-59	F

Grades will be based on the following elements. Each element is explained below.

Element	Due Date	Points
Business Plan Analysis Report	By October 5 th	20 points
Class Participation	Every day	30 points
Written Business Plan Drafts	Section 1 – October 21 st Section 2 – October 28 th Section 3 – November 9 th Section 4 – November 16 th	20 points
Business Plan Presentation	December 2 nd	30 points

Business Plan Analysis Report: (20 points) We will study 7 various new venture business plans. Studying business plans will help you understand the different elements of a new venture, and how all of those elements integrate together. You will be expected to read each business plan/case study and come to class prepared to discuss these cases. These business plans will be the foundation of our discussions in the class on the days scheduled for that plan.

In conjunction with these business plans, you will be required to write an analysis report. The reports should be 5-10 pages in length, single-spaced in 12 point font. The reports should be submitted in a MS Word format and submitted to me via email. Choose one of the following business plans:

- 1) CupAd Business Plan
- 2) Imicrofinance Business Plan
- 3) Planar Circuit Technologies Business Plan
- 4) Progressive Impressions International Business Plan
- 5) Revolve Marketing Business Plan
- 6) Create Magazine Business Plan
- 7) MindRamp Business Plan

Limit your report to a detailed analysis of that business plan. A good analysis report will do the following:

- Include a brief summary of the key issues of the business.
- Build on the class discussion of the business plan – do not just repeat comments made in class.
- Present specific recommendations. This should be the largest portion of your report.
- Use examples as appropriate.
- Be concise.

In preparing this report, you may want to refer to the resource material, “Business Plan Assessment Tool” in the course materials.

Class Participation: (30 points) Some of you have great technical skills. Some of you are analytical thinkers. Some of you are great presenters in front of a group. We expect to learn something from every one of you. Business is an interactive, participatory discipline. It requires critical thinking. It requires teamwork. Therefore, I have made class participation a big part of the grade. The class participation grade will be scaled based on the highest class participation grade. There are 4 major components to the class participation grade:

- 1) Class Participation – Make good comments in class that add to the discussion.
- 2) Business plan ideas. We will go through a selection process to identify the business plans you will work on with your team. To begin the process, you will submit ideas including a title and a 1-paragraph description. The class will then vote and select a slate of final business plans for further examination. The person who submitted the idea will then prepare a draft executive summary. The class will then vote and select the final plans for the teams. 1 point will be awarded for every idea submitted. I expect everyone to submit at least 3 ideas. You are encouraged to submit even more if you want. 1 additional point for every idea selected for which you will then write the executive summary.
- 3) Attendance – You can’t participate unless you attend. We will take attendance each class. There will be a 1 point deduction for every class missed for which you are not excused.
- 4) Elevator Pitch: Being able to present your business plan idea in a short, concise and yet effective manner is a skill you need to develop in order for you to successfully raise capital or sell prospective customers. Each person in the class will be required to do an elevator pitch presentation at some point during the semester. I have also set aside October 19th during class for elevator pitch presentations. We may do elevator pitches at any given time

during the any class, so **ALWAYS** be prepared. You may find the article “Developing an Elevator Pitch for a New Venture” useful as you prepare your elevator pitches.

Written Business Plan Drafts: (20 points) I have divided the written business plans into 4 sections. Each section will count 5 points. Each team will be required to submit a draft written plan for each section as outlined in the class schedule below. I will be grading only the drafts – not the final written plans. The purpose of requiring you to prepare drafts is to resolve any problems with your plans as we work through the business planning process, and not wait until it is too late for your business plan presentations. Drafts can be re-written and re-graded. Grades will be awarded per team – i.e., all member of the team will get the same grade. In writing your business plan sections, you may find it useful to refer to the “New Venture Business Plan Template.” A good draft will address strategic opportunities as we discuss in the strategy sections of the course, will be well-written as described in the article “How to Write a Winning Business Plan,” and will answer the types of questions found in the “New Venture Business Plan Template.”

Business Plan Presentations: (30 points) Each team will be required to make a 10 minute presentation to a panel of judges. The panel of judges will be comprised of 3 experienced entrepreneurs/investors (not myself). They will judge the business plans on the overall viability of the plans. They will not judge presentations based on whether or not they would invest. Grades will be awarded per team – i.e., all member of the team will get the same grade. Business plan presentations are in lieu of a final examination. I will also prepare a critique of the business plans (non-graded) that may be helpful to you. I will also have your fellow class members complete a survey questionnaire for each presentation (non-graded) that may also be helpful to you.

Extra Credit: (up to 5 points) I will allow extra credit for the following:

- 1) Attending business-related seminars such as the Partners in Business seminars (www.partners.usu.org) and the Dean’s Convocation seminars on campus.
- 2) Attending other business training forums. If you would like me to recognize a seminar as extra credit, you will need to get pre-approval.

In order to receive credit, you will also need to write a 1-page report summary of the seminar. Your report should be submitted to me via email in MS Word format or as an Adobe .PDF file.

Class Schedule:

I have broken up the class schedule into general topics. The following is a rough schedule of what topics we will cover during class sessions. I reserve the right to adjust the schedule as we go through the semester to meet opportunities and needs that may arise.

Topic	Date	Class Topic	Readings/Assignments/Notes
Intro	8/31/10	Introduction; Review of Syllabus	Syllabus.
Business	9/2/10	Business Plan	1) “How to Write A Winning Business Plan” by

Plan Overview		Introduction	Stanley R. Rich and David E. Gumpert 2) “New Venture Business Plan Template” 3) “Business Plan Assessment Tool”
	9/7/10	Planar Circuit Technologies	Planar Circuit Technologies business plan.
	9/9/10	Progressive Impressions International	Progressive Impressions International business plan.
	9/14/10	Cup Ad	CupAd Business Plan – note: I will be with a study tour in Japan. Josh Light will be teaching this day.
	9/16/10	Imicrofinance	imicrofinance Business Plan – note: I will be with a study tour in Japan. Josh Light will be teaching this day.
	9/21/10	Revolve Marketing	Revolve Marketing business plan.
	9/23/10	Create Magazine	Create Magazine business plan.
	9/28/10	MindRamp	MindRamp business plan.
	9/30/10	Business Plan Assessment	Ron Labrum? Note: Business plan ideas are due. A summary spreadsheet with all business plan ideas will be circulated for voting on filters #1 and #2.
Teams & Topics	10/5/10	Team formation and selection of topics	1) Business plan analysis report due. 2) Read through the descriptions of the business plan ideas on Blackboard. 3) Votes are due on filters #1 and #2. Vote by listing your top 10 in order for each of those 2 filters. Note: We will narrow the ideas down to a top 20 based on votes on the first 2 filters. The students who submitted the ideas will be asked to prepare a 1-page summary of the idea based on the 4 filters. Please send the summaries to me and I will circulate to the class.
	10/7/10	Team formation and selection of topics	1) Read the 1-page summaries. 2) Votes are due on filters #3 and #4. Vote by listing your top 10 in order for each of those 2 filters. Note: We will narrow the ideas to the final 4 and then assign teams.
Business Plan Preparation	10/12/10	Strategy	1) “What is Strategy?” by Porter. 2) “Blue Ocean Strategy” by Kim and Mauborgne.
	10/14/10	No class – Friday schedule	

	10/19/10	Executive Summary and Elevator pitch	“Developing an Elevator Pitch for a New Venture”
	10/21/10	The Marketing Plan	Section I draft of the business plan (Executive Summary and Elevator Pitch) due
	10/26/10	The Economic Model	
	10/28/10	The People Plan	Section II draft of the business plan (Marketing Plan and Economic Model) due
	11/2/10	The Operations Plan	None
	11/4/10	The Implementation Plan	None
	11/9/10	The Financial Plan and Projections	Section III draft of the business plan (People, Operations and Implementation) due
	11/11/10	The Financial Plan and Projections	
	11/16/10	Review of preparing Business Plans	Section IV draft of the business plan (Financial Plan and Projections) due
Presentations	11/18/10	Presentations	“The Art of Making a Great Presentation”
	11/23/10	LetterPress?	
	11/25/10	Thanksgiving Day holiday – no class	
	11/30/10	Business plan presentations preparation – no class	
	12/2/10	Business plan presentations	