



Rotman Commerce UNIVERSITY OF TORONTO

Course Outline

RSM493H1

Entrepreneurship

Fall 2012

L0101: Monday / 9-11am / SS1073

Instructor: Matt Grennan
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Course Scope and Mission

"You miss 100% of the shots you never take." –Wayne Gretzky

This course is all about "taking shots". We will go through the experience of starting a new business: identifying and evaluating new opportunities, pitching ideas to others, crafting strategy, and working with a team. This course will be directly useful for those with an interest in starting a new business or working in a start-up environment; and provide an "entrepreneur's view" for those planning to work in banking, finance, or consulting. Perhaps most importantly, the skills we develop will help you be more "entrepreneurial" in life in general.

Course Prerequisites

RSM392H1 (formerly MGT492H1) Strategic Management

Course Exclusions

MGT493H1

Required Readings

Cases will be available via our course site with Harvard Business School Publishing. The link to this site and all other readings will be posted to Blackboard.

Assignments and Evaluation

<u>Individual Assignments</u>	<u>Weight</u>	<u>Due Date</u>
Class Preparation and Contribution	40%	Ongoing
Personal Venture Assessment	10%	Week 3
Venture Concept Pitch	10%	Week 4 (written due Thursday before week 4)
<u>Group Assignments</u>		
Concept Development Worksheet	10%	Week 8 (Nov 4, by 5pm)
Business Plan Presentation	10%	Weeks 11 and 12
Written Business Plan	20%	Week "13" (Dec 12, by 5pm)

COURSE FORMAT AND EXPECTATIONS

This course will challenge you to shift from being a receiver of ideas, facts, concepts, and techniques. Instead you will generate ideas, analyze and evaluate alternatives, and formulate workable action plans. The goal is to put what you have learned in other courses into practice.

The New Venture Development Experience

The final output of the course is to write and present a Business Plan. The entire course is designed to lead you along the path of developing this new venture plan from start to finish.

NOTE: Real-estate, retail businesses (e.g., restaurants), and certain service businesses (such as management consulting), will not be permitted for this course. Your venture idea must be *innovative* and have the *potential for wealth creation beyond a “normal” salary for its founders*. If in doubt, please check with the instructor.

Class Preparation and Contribution

The in-class portion of this course relies on analyses and discussion regarding cases, readings, and guest speakers. For each class, there will be a SurveyMonkey “Quiz”, requiring 1-2 bullet points of interesting comments or questions---simply doing this will give you 2 points towards the class preparation grade, making half of this grade “easy”. The most important part of these preparation assignments is that they will help you prepare to contribute your own analysis, conclusions, and recommendations during in-class discussion.

In a typical class, one or more class members will be asked to start the session by addressing a specific question. After a few minutes of initial analysis and recommendations, the instructor will open the discussion to the rest of the class. We will try to build a complete analysis of the situation, determine the extent to which the materials in the readings apply, and address the problems and issues presented. Because of the varied backgrounds of those in the class, my experience is that the discussion is often improved if we bring in a variety of opinions by calling on people other than those who volunteer.

While you are expected to be an active participant throughout the course, please note that the frequency of your participation in class is not the only criterion for class contribution. It is the quality of your participation that is most important. Criteria I will use in measuring effective class contribution include:

- (1) Is the participant a good listener?
- (2) Are the points made relevant to the discussion? Are they linked to the comments of others?
- (3) Is there willingness to test new ideas or are all comments “safe” (for example, repetition of case facts without analysis or conclusions)?
- (4) Do comments lead to a clearer statement of the concepts being covered and the problems being addressed?

A few points I want to emphasize:

- (1) Well-posed questions are not only a legitimate way to interact, but should be an important part of the discussions.
- (2) In most of the cases we discuss, there will be many different actions and plans that could be undertaken. Enlightened debate about the best plan to implement adds significantly to the understanding of the issues.
- (3) Because of the varied backgrounds in the class, many of you will have important contributions to make based on your personal experience. I will try to learn about your backgrounds over the course of the term, but you are encouraged to bring these experiences to bear on the analysis of the cases.

Please note that I have a “no excuses” policy regarding absences—I trust you to use your own judgment about your reasons for missing class and whether you can afford to do so. Your class contribution grade will suffer directly for every absence beyond 2 missed classes. Use these

“free” absences as you like (job interview, illness, personal matters, religious holidays). You may choose any day for a free absence except a day when you present. If you miss a day when an assignment is due, you still need to get it to me before the start of class.

Writing

There are two individual and two group writing assignments in the course. Good writing is clear and concise. It is not easy (for most of us). Page limits for the writings in this class are short, so you will face hard decisions about what NOT to include. If you use a bunch of complex terminology or try to hit every potentially relevant point, you will run out of space. I will evaluate these assignments based on the quality of your writing as well as your ideas and analysis.

Students who would like additional support and/or tutoring with respect to their writing skills are encouraged to visit the Academic Success Centre (www.asc.utoronto.ca) or one of the College Writing Centres (www.writing.utoronto.ca/writing-centres). These centres are teaching facilities – not editing services, where trained staff can assist students in developing their academic writing skills. There is no charge for the instruction and support.

The *Personal Venture Assessment* is an assessment of your own strengths and weaknesses, your venture ideas/interests, and how the two fit together. An earnest and thoughtful PVA is a critical step towards figuring out the venture idea you want to pitch.

The written portion of the *Venture Concept Pitch* is a **one page** (maximum—can be less) explanation of your venture idea. It is worth half of your *Venture Concept Pitch* grade (the other half is the actual pitch). The written portion is distributed in the class “pitch book”, along with your resume, so it is best thought of as a companion to the verbal pitch—it can be any format you like, as long as it captures the key elements of the pitch.

The *Concept Development Worksheet* is the beginning of your group’s Business Plan. This will allow you to receive interim feedback. The goal is to help you achieve excellence—the more thought and effort put into the CDW, the better feedback you can get.

The *Business Plan* is your final product, outlining the key issues in making your venture idea a reality. It should be no longer than **10 pages** (in 12 point font with 1.5 spacing). However, you may include as many appendices, figures and supplementary tables as you would like. Late submissions will NOT be accepted. No excuses.

Presenting

The course requires one individual presentation and one group presentation. Like good writing, a good presentation is not an easy thing to do, but it is a valuable (critical?) skill to develop. We look at several examples of successful presentations in class, but always remember that *enthusiasm* and *preparation* both go a long way.

The actual *Venture Concept Pitch* is a **one minute** pitch where you communicate the essentials of your venture idea. The goal is to convince other members of the class that they should want to work with you on your idea. These pitches will take up the entire fourth week of class.

The *Business Plan Presentation* is a **15 minute** (just like the Venture Capitalists organize) presentation of the essentials of your plan for how your idea will become a successful business. These presentations will take up the last two weeks of class.

Teamwork

Course participants are required to form new venture teams of **5-6** students whose talents, skills and knowledge (in the ideal case) are complementary. ***Extensive group work outside of class is an essential part of this course.*** Other factors crucial to your team’s functioning are the management and coordination of group effort by appropriate means (telephone, e-mail, sub-group meetings, etc.). Each team will produce an original and comprehensive Business Plan as its major final product and will make a presentation of its plan in class.

After pitches in Week 4, you need to decide whether to recruit other people to develop your venture concept, or to be recruited to another student's team. The pitches will help people decide what venture is attractive to them; the resume/pitch booklet will help people find the skills needed to fill out their team. All teams need to be approved by Week 5.

When working as a group, students are reminded of the following expectations to their behavior and contributions to the project:

- Treat other members with courtesy and respect;
- Establish a positive and productive team dynamic;
- Contribute substantially and proportionally to the final project;
- Ensure enough familiarity with the entire contents of the group project/assignment so as to be able to sign off on it as original work;
- Meet the project timeline as established by the team.

Learning to work together in teams is an important aspect of your education and preparation for your future careers. Project work is challenging; conflicts can and do occur. Teams are expected to resolve disputes or misunderstandings as soon as they arise (and prior to submission of the final project). In cases where teams are unable to reach a mutually agreeable solution, the entire team must meet with the Rotman Commerce Team Coach, Nikoleta Vlamis, as soon as possible (Nikoleta—an expert on team dynamics and facilitation—is available to provide support and guidance on team matters, not formally evaluate teamwork for academic purposes; and can be reached at nikoleta@nikoletaandassociates.com for an appointment). Nikoleta will listen to the team and help the team develop options for improving the team process. All members of the project team must commit to and utilize their action plans.

Weekly Schedule

Week	Date	Topic	Readings
1	Sep 10	Why Study Entrepreneurship?	
2	Sep 17	Generating Good Ideas	Good Ideas and How to Get Them Strategy Packet
* Personal Venture Assessment due at beginning of class, Monday, Sep 24			
3	Sep 24	Evaluating Ideas	Case: R&R Case: The DAG Group
* One page resume and one page written pitch due by 5pm, Thursday, Sep 27			
4	Oct 1	Venture Concept Pitches	
* No class Oct 8, Thanksgiving.			
5	Oct 15	Turning Ideas into Reality: Business Plans	How to Write a Great Business Plan Honest Tea Business Plan Case: Narayana Heart Hospital
6	Oct 22	Entry and Competition	Case: Judo in Action
7	Oct 29	Financing New Ventures	Bootstrap Financing Angels and Venture Capital Case: Dermacare
* Concept Development Worksheet due by 5pm, Sunday, Nov 4.			
8	Nov 5	Venture group meetings with instructor all week (no class meeting on Monday).	
* No class Nov 12, Fall Break.			
9	Nov 19	Growing Pains (and Gains)	Evolution and Revolution Case: eInk
10	Nov 26	Wrap Up	to be distributed . . .
11	Dec 3	Business Plan Presentations	
12	Dec 5	Business Plan Presentations	
* Written Business Plans due at 5pm, Wednesday, Dec 12. There is no final exam.			

COURSE FAQ:

Q: What if I do not have a brilliant idea?

A: First, don't despair. Whether any idea is brilliant or not will only become clear over time. Second, there are many more ideas for businesses than can possibly be realized. If you set aside a few minutes each day for thinking about this issue, or if you engage in regular brainstorming with your friends, you'll get plenty of ideas. Third, even if your team doesn't pursue your idea, you will still get to enjoy the pleasure and pain of starting up a business.

Q: What if after working on the venture idea for a few weeks your team realizes that the idea is not quite as brilliant as you had originally thought?

A: First, regarding the brilliance of an idea, see (1). In most cases, more analysis and research than is possible in this course will be required to determine the ultimate feasibility and quality of the opportunity. Nonetheless, the project will give you a good idea of what it takes to turn an idea into a successful business venture. Second, the selection process among venture ideas that takes place at the beginning of the course usually assures that ideas which appear less promising are filtered out, and more appealing ideas are pursued. Third, it is understood that your initial venture concept may change, sometimes substantially, by the time it is researched and further developed. Fourth, very few venture projects actually turn out to be clear "dogs." However, should you find out through analysis that your business is really infeasible or economically unattractive, this would be a respectable course outcome. At least now you know what will not work—a great insight that will spare you time, talent, and treasure in the future.

POLICY AND PROCEDURE

Missed Tests and Assignments (including midterm examinations)

Students who miss a test or assignment for reasons entirely beyond their control (e.g. illness) may submit a request for special consideration. Provided that notification and documentation are provided in a timely manner, and that the request is subsequently approved, no academic penalty will be applied.

In such cases, students must notify Rotman Commerce on the date of the missed test (or due date in the case of course work) and submit supporting documentation (e.g. a medical certificate) to the Rotman Commerce Program Office within one week of the originally scheduled test or due date. Students who do not provide Rotman Commerce or the instructor with appropriate or sufficient supporting documentation will be given a grade of 0 (zero).

Note that the physician's report must establish that the patient was examined and diagnosed at the time of illness, not after the fact. Rotman Commerce will not accept a statement that merely confirms a report of illness made by the student and documented by the physician.

Late Assignments

All assignments are due at the beginning of class on the date specified in the course outline. Late submissions will be penalized by 20% if the assignment is late by 48 hours or less. After 48 hours late assignments will not be accepted. Class preparation will not be accepted late.

Accessibility Needs

The University of Toronto is committed to accessibility. If you require accommodations for a disability, or have any accessibility concerns about the course, the classroom or course materials, please contact Accessibility Services as soon as possible: disability.services@utoronto.ca or <http://www.accessibility.utoronto.ca/>.

Academic Integrity

Academic Integrity is a fundamental value essential to the pursuit of learning and scholarships at the University of Toronto. Participating honestly, respectfully, responsibly, and fairly in this

academic community ensures that the UofT degree that you earn will continue to be valued and respected as a true signifier of a student's individual work and academic achievement. As a result, the University treats cases of academic misconduct very seriously.

The University of Toronto's Code of Behaviour on Academic Matters

<http://www.governingcouncil.utoronto.ca/policies/behaveac.htm> outlines the behaviours that constitute academic misconduct, the process for addressing academic offences, and the penalties that may be imposed. You are expected to be familiar with the contents of this document. Potential offences include, but are not limited to:

In papers and assignments:

- Using someone else's ideas or words without appropriate acknowledgement.
- Submitting your own work in more than one course without the permission of the instructor.
- Making up sources or facts.
- Obtaining or providing unauthorized assistance on any assignment (this includes collaborating with others on assignments that are supposed to be completed individually).

On test and exams:

- Using or possessing any unauthorized aid, including a cell phone.
- Looking at someone else's answers
- Misrepresenting your identity.
- Submitting an altered test for re-grading.

Misrepresentation:

- Falsifying institutional documents or grades.
- Falsifying or altering any documentation required by the University, including (but not limited to), medical notes.

All suspected cases of academic dishonesty will be investigated by the following procedures outlined in the *Code of Behaviour on Academic Matters*. If you have any question about what is or is not permitted in the course, please do not hesitate to contact the course instructor. If you have any questions about appropriate research and citation methods, you are expected to seek out additional information from the instructor or other UofT resources such as College Writing Centres or the Academic Success Centre.

Email

At times, the course instructor may decide to communicate important course information by email. As such, all UofT students are required to have a valid UTmail+ email address. You are responsible for ensuring that your UTmail+ email address is set up AND properly entered on the ROSI system. For more information please visit <http://help.ic.utoronto.ca/category/3/utmail.html>

Forwarding your utoronto.ca email to a Hotmail, Gmail, Yahoo or other type of email account is not advisable. In some cases, messages from utoronto.ca addresses sent to Hotmail, Gmail or Yahoo accounts are filtered as junk mail, which means that important messages from your course instructor may end up in your spam or junk mail folder.

Blackboard and the Course Page

The online course page for this course is accessed through Blackboard. To access the course page, go to the UofT Portal login at <https://portal.utoronto.ca/> and log in using your UTORid and password. Once you have logged in, look for the My Courses module where you'll find the link to all your course websites. If you don't see the course listed here but you are properly registered for the course in ROSI, wait 48 hours. If the course does not appear, go to the Information

Commons Help Desk in Robarts Library, 1st floor, for help, or explore the Portal Information and Help at www.portalinfo.utoronto.ca/students and review the Frequently Asked Questions.

Computer/Phone Policy

It is expected that students will use technology responsibly, with consideration for class participants. With the permission of the instructor, students may use electronic devices for note taking and web access related to our discussion. Electronic devices are not to be used for email, instant messaging, web browsing, and any other activity that is disruptive to other students, the instructor or in general, the classroom environment. Disruptive use may negatively affect your class contribution grade. It is not permitted to make an audio or video recording of any classes.

Intellectual Property

In this class you are entirely responsible for protecting your own intellectual property. If there is any part of your business idea that you would not like to disclose, then you should simply not disclose it. Obviously, any material not disclosed cannot be evaluated for grading. Unfortunately, the instructor cannot sign any non-disclosure agreements related to this course. If you have any questions about this policy, do not hesitate to ask.

Recording Lectures

Lectures and course materials prepared by the instructor are considered by the University to be an instructor's intellectual property covered by the Canadian Copyright Act. Students wishing to record a lecture or other course material in any way are required to ask the instructor's explicit permission, and may not do so unless permission is granted (note: students who have been previously granted permission to record lectures as an accommodation for a disability are, of course, excepted). This includes tape recording, filming, photographing PowerPoint slides, Blackboard materials, etc.

If permission is granted by the instructor (or via Accessibility Services), it is intended for the individual student's own study purposes and does not include permission to "publish" them in anyway. It is absolutely forbidden for a student to publish an instructor's notes to a website or sell them in any other form without formal permission.