

University of Guelph
Department of Marketing & Consumer Studies

MCS 4100
ENTREPRENEURSHIP
Fall 2010

INSTRUCTOR

Douglas J. Adlam
MINS 206
Phone: 519.824.4120 X. 56907
Email: dadlam@uoguelph.ca

GTA

N/A

PREREQUISITES

14.00 credits including MCS*3500 and a cumulative GPA of 70%.

RESTRICTION

Registration in the B.Comm. MKMN major.

OBJECTIVE

This course gives students the opportunity to apply the knowledge and skills they have learned while attending the University of Guelph to a real-life project in a(n) small business / entrepreneurial context. By the end of the semester the student or client will have in their possession a functional business plan complete with recommendations.

OVERVIEW

MCS*4100 Entrepreneurship allows young entrepreneurs the opportunity to develop a business plan for their own idea (good or service). Students who do not have their own business idea but want to learn about entrepreneurship and business plan development can take the course as well. Students will work in teams helping to develop another student's idea or will develop a plan for an entrepreneur who is working with BioEnterprise, a local nonprofit BioTech business developer.

CLASS FORMAT

This is not a lecture based course – it is a project based course. The scheduled class time includes two 1 hour and 20 minute lectures/meetings per week – Monday / Wednesday. Each class “meeting” will serve its own purpose and will include a combination of lectures, guest speakers, presentations, meetings, and work periods. Please see the course schedule for further details.

This course relies heavily on the commitment and participation by students. Students are expected to treat the course like a business environment and to think of each class as

a meeting. University policy does not allow us to require attendance, but it should be noted that it is generally considered unacceptable to miss meetings in the “real world”, especially when clients are scheduled to attend.

Please note that proper business attire is a norm in the “real world”, especially when clients are scheduled to attend. Please note that it is highly recommended to wear proper business attire for all client meetings.

INSTRUCTOR INVOLVEMENT

Students are responsible for all work needed to complete this project. The role of the instructor is to keep students on track, to evaluate and coach your work, to help improve your efficiency, and to help you complete a professional business plan.

TEXT & READINGS

There is no text for this course. Students are expected to refer to their notes and texts from previous courses, including but not limited to: Introductory Marketing (MCS*1000), Fundamentals of Consumer Behaviour (MCS*2600), Research Methods (MCS*3030), Marketing Strategy (MCS*4370), and Market Analysis and Planning (MCS*3500).

Three textbooks can be signed out at the University Library. Texts and resources may be added to the list below at any time:

Building a Dream: A Canadian guide to starting your own business, 7th Edition, Walter S. Good (Copyright © 2008)

Canadian Entrepreneurship and Small Business Management, 7th Edition, D. Wesley Balderson (Copyright © 2008)

Entrepreneurship, 2nd Canadian Edition, Hisrich, Peters, Shepherd, Mombourquette (Copyright © 2009)

WORKLOAD

You should expect to devote at least 10 hours per week to this course. Individual workloads and tasks will be determined by mutual agreement of the members of your team. Every individual in the class should expect that this project will require a substantial amount of effort. A minimal effort by any one person will reduce the team’s effectiveness and will undoubtedly impact its final end-product.

COURSE EVALUATION

2.5% Team Contract

2.5% Statement of work

15% 90 second pitch presentation

10% Presenter questions/feedback during the Final Presentation

35% Team Final presentation

35% Team Final Report

COURSE GRADING STANDARDS

Consistent with University Policy:

- 80 - 100 (A) Excellent. An outstanding performance in which the student demonstrates a superior grasp of the subject matter, and an ability to go beyond the given material in a critical and constructive manner. The student demonstrates a high degree of creative and/or logical thinking, a superior ability to organize, to analyze, and to integrate ideas, and a thorough familiarity with the appropriate literature and techniques.
- 70 - 79 (B) Good. A more than adequate performance in which the student demonstrates a thorough grasp of the subject matter, and an ability to organize and examine the material in a critical and constructive manner. The student demonstrates a good understanding of the relevant issues and a familiarity with the appropriate literature and techniques.
- 60 - 69 (C) Acceptable. An adequate performance in which the student demonstrates a generally adequate grasp of the subject matter and a moderate ability to examine the material in a critical and constructive manner. The student displays an adequate understanding of the relevant issues, and a general familiarity with the appropriate literature and techniques.
- 50 - 59 (D) Minimally Acceptable. A barely adequate performance in which the student demonstrates a familiarity with the subject matter, but whose attempts to examine the material in a critical and constructive manner are only partially successful. The student displays some understanding of the relevant issues, and some familiarity with the appropriate literature and techniques.
- 0 - 49 (F) Fail. An inadequate performance.

TEAM CONTRACT & TEAM EVALUATION

Once you have placed yourselves into teams of 4-5 students (maximum of 12 groups in the class) you will be responsible for completing a Team Contract. The template for the team contract will be available on the course website. The purpose of the team contract is to provide your team with a binding contract that outlines the expectations, policies, procedures, etc. that each individual on the team is required to follow throughout the duration of the semester. All team members are required to sign and date this document.

You will include the Team Evaluation with your final report submission. Please simply attach the team evaluation to the inside front cover of your completed report with a paper clip – do not bind the evaluation into your report. The Team Evaluation template will be available on the course website. The purpose of the Team Evaluation is to review the level of adherence of each individual team member to the Team Contract created at the initiation of the project. All team members are required to sign and date this document.

Although there are no marks awarded for the Team Evaluation, the Team Evaluation is a required component of the final report. **If the Team Evaluation is not included with the final report, the final report will not be marked until the Team Evaluation is handed in.**

STATEMENT OF WORK

A template for the Statement of Work will be provided. The statement of work will outline in detail exactly when each required component of the business plan will be worked on (start and finish dates), and specifically who is responsible for the task. Other important aspects to include in the statement of work include review dates, presentation practice dates, printing dates, etc...

TEAM MENTORS

Based on your teams' selected venture, you will be assigned to a mentor with appropriate subject knowledge that will assist your team throughout this course. You will be responsible for meeting with your mentor on at least 3 occasions throughout the semester at a time a place that is convenient for your mentor, and the members of your team. It is strongly recommended to meet your mentor at their place of business if possible. Your mentor will be able to assist you with answering industry / business related questions and road blocks your team will encounter. The course schedule shows the recommended schedule for mentor meetings – 4 meetings, bi-weekly. Pending your mentor's availability, you may meet with your mentor more often if you feel it is necessary.

INSTRUCTOR MEETINGS

You will meet with your Instructor on 2 occasions, and will be required to provide an informal progress report. You will bring with you a copy of your statement of work, as well as all completed / prepared materials related to your business plan at that time.

PROJECT OVERVIEW

By the end of this course, you will have completed a 90 second pitch presentation, and a business plan for a real product in both paper, and presentation (PowerPoint) format.

90 SECOND PITCH PRESENTATION

1 of your team members will have 90 seconds to pitch your concept to the rest of the class. Think of the rest of the class as a group of wealthy investors, looking for upcoming businesses to invest in. This will be entirely a peer-to-peer experience. The instructor

will moderate the discussions, but will not partake. The rest of the class will evaluate your presentation on a scale of 1 to 10, and will provide written feedback to the presenters.

FINAL PRESENTATION OUTLINE

In week 10, you will be responsible to make a presentation to the class of your business plan. You will have 15 minutes for the presentation, followed by a 5 minute question and answer period, for a total of 20 minutes. These time guidelines will be strictly enforced.

Your Presentation will address all sections of the business plan.

Guest Evaluators will be invited to the presentations to add another dimension to the post-presentation discussion. Your mentor will be one of the guest evaluators (upon availability), in addition to two others. The Guest Evaluators will be limited to 1 question each in the first round of questions, and if time allows, additional questions may be posed.

The purpose of the presentation is to allow other students in the class to view and comment on your product, market research, and the sales and promotions strategy you have chosen to follow. Once the special guests and the instructor have asked their questions and/or raised their own concerns, if time allows, the floor will be open to questions from the rest of the class.

PEER PRESENTATION FEEDBACK & EVALUATION

Each student will be responsible for completing a student feedback form as well as an evaluation form. All students are to come up with questions / comments and an evaluation for each presentation (with the exception of their own). At the end of each presentation day, all feedback forms and evaluation forms will be handed to the instructor for review and grading. The Feedback forms will be then be provided to each team, whereas the evaluation forms will remain in the possession of the instructor. Please see the Appendices for examples.

BUSINESS PLAN

The precise business plan requirements are included as an Exhibit at the end of this course outline. The format will be as follows:

Printed and bound, 40-80 pages including appendices and exhibits. Single spaced, 12 point font. Use of charts, graphs, etc. are highly recommended.

Please see course schedule for due date.

ACCURACY

All presentations and reports the teams develop must be professional, i.e. they must be well-worded, grammatically correct, and accurate with regard to any information included. Indeed, the final written document must be "letter perfect" because, in the "real world", these materials are typically kept and referred to for several months, for the

purposes of plan implementation and assessment. Therefore, poorly written work is unacceptable, as are obvious "cut and paste" efforts.

USE OF HUMAN SUBJECTS IN PRIMARY RESEARCH

Part of being "professional" as you develop your plan is receiving university approval for any primary research that you conduct.

The Tri-Councils (SSHRC, NSERC, and CIHR) produced a document in 1998 which guides the use of human participants in research by Canadian institutions. This document, the Tri-council Policy Statement: Ethical Conduct for Research Involving Humans (TCPS), was adopted by the University of Guelph in 2002. All research done at the University of Guelph, regardless of funding source, must follow the guidelines described in the TCPS.

In order to comply with the TCPS, a researcher who proposes to use human participants in a research project must apply for clearance from the University of Guelph Research Ethics Board (REB). The REB examines applications which are assessed to require scrutiny by the entire board (such as research posing a more than minimal risk to the participant; research involving a vulnerable population; or research involving deception, for example). I will submit an application to the REB on behalf of the entire class which will allow me to make the determination of whether your proposed research meets REB guidelines. **Therefore, you MUST submit your research plans and proposed instruments to me for approval prior to gathering any primary data. I require a minimum of 3 business days (Mon-Fri) to review and approve any research plans, instruments, surveys, etc., so please plan ahead. All items requiring approval must be emailed to me directly.**

For more information see THE ROLES AND RESPONSIBILITIES OF THE RESEARCHER AND THE RESEARCH ETHICS BOARD (REB). To contact the REB or for more information about involving human participants in research, please contact Sandy Auld, Research Ethics Coordinator, Office of Research, ext. 56606. You may also visit the REB website at <http://www.uoguelph.ca/research/>

LATE ASSIGNMENT POLICY

This course will be run like a business, and therefore will employ a 'real world' late policy. If you miss an assignment deadline or a presentation you will immediately receive a grade of zero with no appeal.

It is your responsibility to complete the requirements of this course on-time. Be sure to back up your work frequently, and on different media to ensure you do not lose your work.

ADDITIONAL NOTES

The course schedule is subject to change. Any changes made will be announced in class.

Course and instructor evaluations for MCS*4100 (Entrepreneurship) will be handled via the Internet during the last two weeks of the semester.

ACADEMIC HONESTY

While the development of business plans and materials is a derivative process, it is expected that all work will be original. Any form of academic dishonesty will be reported, following procedures outlined in the University of Guelph Undergraduate Calendar. <http://www.academicintegrity.uoguelph.ca/>

For information on the Appeals and Add/Drop procedures please refer to the Undergraduate Calendar.

4100 Business Plan Recommended Outline

This is a recommended structure for a business plan from *New Venture Creation: Entrepreneurship for the 21st Century* by Jeffrey Timmons and Stephen Spinelli (7th Edition, McGraw Hill - Irwin, 2007).

- 1 Executive Summary
 - 1.1 Description of the Business Concept Plan and the Business Opportunity and
 - 1.2 Target Market and Projections
 - 1.3 Competitive Advantages
 - 1.4 Costs
 - 1.5 Sustainability
 - 1.6 The Team
 - 1.7 The Offering
- 2 The Industry and the Company and its Product(s) or Service(s)
 - 2.1 The Industry
 - 2.2 The Company and Concept
 - 2.3 The Product(s) or Service(s)
 - 2.4 Entry and Growth Strategy
- 3 Market Research and Analysis
 - 3.1 Customers
 - 3.2 Market Size and Trends
 - 3.3 Competition and Competitive Edges
 - 3.4 Estimated Market Share and Sales
 - 3.5 Ongoing Market Evaluation
- 4 The Economics of the Business
 - 4.1 Gross and Operating Margins
 - 4.2 Profit Potential and Durability
 - 4.3 Fixed, Variable, and Semivariable Costs
 - 4.4 Months to Breakeven
 - 4.5 Months to Reach Positive Cash Flow
- 5 Marketing Plan
 - 5.1 Overall Marketing Strategy
 - 5.2 Pricing
 - 5.3 Sales Tactics
 - 5.4 Service and Warranty Policies
 - 5.5 Advertising and Promotion
 - 5.6 Distribution
- 6 Manufacturing and Operations
 - 6.1 Operating Cycle Strategy
 - 6.2 Geographical Location
 - 6.3 Facilities and Improvements
 - 6.4 Strategy and Plans
 - 6.5 Regulatory and Legal Issues
- 7 Management Team
 - 7.1 Organization
 - 7.2 Key Management Personnel
 - 7.3 Management Compensation & Ownership
 - 7.4 Other Investors
 - 7.5 Employment & Other Agreements & Stock Option & Bonus Plans
 - 7.6 Board of Directors
 - 7.7 Other Shareholders, Rights & Restrictions
 - 7.8 Supporting Professional Advisors & Services
- 8 Proposed Company Offering
 - 8.1 Desired Financing
 - 8.2 Source of Financing
- 9 Appendices