MGMT 324: New Venture Strategies

Spring 2016 Syllabus

Professor: John J. Cousins
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Office:

Classroom: ASM 1070
Meeting Time: Mondays 4:00-6:30pm
Office hours: By Appointment

REQUIRED READINGS:


Managing and Leading: People and Organizations, John J. Cousins, Kindle Edition

Learn Accounting Fast!: Concepts and Practice, John J. Cousins, Kindle Edition

Optional:
Who Owns the Ice House, Clifton Taubert and Gary Schoeniger, 2010, Eli Press LLC

Supplementary business information and research materials include:

The Economist  www.economist.com
Albuquerque Business First, www.bizjournals/albuquerque
New Mexico Networking Links, www.nmnetlinks.com
UNM Bureau of Business and Economic Research, https://bber.unm.edu/
UNM Parish Memorial Library, http://library.unm.edu/about/libraries/pml.php

STUDENT ELIGIBILITY:

Before enrolling in MGT 324, students should have completed ENGL 102 and ECON 106 with C or better grade.
COURSE OBJECTIVES:

This Course examines strategies, both personal and commercial, for effectively embarking on new ventures with a focus on the phases of entrepreneurship occurring between the generation of the initial new venture idea, up to and including the first commercial sale.

Those who complete this course will be able to:

- Develop critical thinking skills that will enable them to identify and evaluate opportunities, manage risks, and learn from the results.
- Understand the process that enables entrepreneurs with limited resources to transform an idea into a sustainable success.
- Understand and apply fundamental aspects of entrepreneurial thinking across disciplines and as a means of personal empowerment.
- Establish goals, identify resources, and determine the steps required to accomplish their goals.
- Identify and interact with local entrepreneurs within their own communities.

MGT 324 is designed to enable students to understand various functions entrepreneurs or owner managers perform to successfully manage and grow a new or small business. Resource constraints, that such ventures face, makes the job of entrepreneur(s)/manager(s) challenging. Entrepreneurship is the pursuit of opportunity without regard to resources currently controlled. An entrepreneurial approach is required to manage such ventures. To prepare students to assume leadership and management roles in such ventures, following topics will be covered in this course:

- Marketing, Branding, and Customer Acquisition (Customer Relationship, Pricing and Promotion, and Supply Chain Management)
- Managing Internal Operations (Leadership, Managing Human Resources, and Production Management)
- Accounting, Finance, and Managing Numbers (Financial Performance, Firm Assets, and Financial Risk)
- Raising Capital
- Product/Market fit
- Negotiations
- Intellectual Property
- Leveraging Technology

Another critical skill that entrepreneurs or owners require to effectively manage a small and/or growing venture is good communication skill. To enable students to sharpen communication skills, especially writing and presentation skills, a substantial component of class assignments and grade is based on written cases and presentations. In addition, a significant portion of student grade is based on their contribution (participation) to class discussions.
This course will benefit not only students interested in becoming entrepreneurs, but also those interested in pursuing all other career paths.

WEB ENHANCED: This course is web enhanced via the Learn site. There are case studies and materials available and quizzes and surveys will be administered online via Learn.

CLASSROOM POLICY:

1. This is a fun class to be in but students have to be prepared to enjoy this class. Unless prepared for class lectures, it will be difficult for students to learn concepts discussed in the class and enjoy the class. Students are required to go over assigned reading before coming to class. I will randomly call on students during the class session to contribute to the class discussion. Students can earn participation points during class sessions by demonstrating knowledge of assigned class materials. It is not my intention to embarrass you in front of class so please let me know in advance if you have not prepared for the class.

2. Computers and Laptops – Unless instructed before class, laptop computers are not allowed to be used during class session. Any student found violating this rule will be dismissed from the class for that day and will lose participation points for that day.

3. Cell phones – Turn off your cell phone before entering the classroom. If you are expecting any life threatening call then please put your cell phone on vibrate mode. However, remember exceptions can be for no more than one or two class sessions.

4. For both individual and group assignments, students are required to give due recognition to original sources and authors of materials used. Please cite the source of any information you use in not only your environmental analysis and business plans but also in your other works. Also maintain a copy of these sources for me, I might ask you for it.

5. Any student or team, whose assignment is found to have been plagiarized from any other sources, will automatically receive an “F” for the class. The student will also be referred to the university disciplinary committee for further action. Please refer to the appropriate section of the Student Handbook for a discussion of plagiarism and its consequences.

6. Dress code – You should dress appropriately for this class. For presentations, attire is business casual. You will not be allowed to present in jeans, shorts, t-shirt, or slippers, sandals etc. Please see me personally if you have any question regarding these issues.
ATTENDANCE POLICY:

A major portion of course grade is class participation. It is mandatory that you attend all class sessions. If you are late (more than 10 minutes) or absent (unexcused) for more than two classes, I reserve the right to dismiss you from the course with an assigned grade of F. Assignments must be turned in either on or before the due date. Plan ahead, meet with your instructor (or class group) when you see a conflict arising, and work around the conflict. If proof of an emergency is provided, at my discretion I may accept a late assignment (though with a reduced score). Showing up and doing the work on time is a big part of any success and this class is a training ground for success.

TEAMS:

Team projects are essential elements of this course. You will be assigned to one of the teams. Each team consists of 4-5 members. As soon as you know your team please exchange contact information and your schedule so that you can plan for the semester. For the effective functioning of team it is important that you become familiar with each other.

You are required to contribute to every group assignment. Peer evaluation will be conducted after each team project. In this evaluation you will assess each team member’s participation and contribution on the project. These confidential evaluations are turned in directly to me. If you do not turn in the form in a timely manner then I will assume that you did not participate and contribute on your team’s assignment. Please be advised: If your team members decide to fire you from the team then you may be dropped from the course with an assigned grade of F.

COURSE GRADE AND STUDENT EVALUATION:

Your final grade will be based on your performance on following exercises:

Class Participation: 20 Points

You will receive points for every class session that you arrive on time and remain present during the whole session. You can receive points just by attending all class session. Additional points may be earned by making substantial contribution to class discussions through your comments. Your comments should indicate that you have read the assigned topic and done extra research on it.

Quizzes: 15 Points

Random low stakes quizzes will be administered during the semester. The quizzes will be online and they may be as frequent as each week. The quiz may address material from the assigned chapter/case for that session and/or material discussed in
class. They will be multiple choice and true/false and will not be difficult or lengthy but you will most likely not know the answers if you do not attend class.

**Individual Assignment: 10 Points**

For the individual assignment, you need to attend one of the educational seminars, MOOCs, or talks on entrepreneurship or small business topic recommended by the instructor. You will receive points for attending the seminar and preparing a written report about the seminar/talk you attended. The report should describe the topic and content of the seminar. You should also describe how the seminar enhanced your learning, and how you will use that knowledge in the context of this class and your career. The report should not exceed five pages and be no less than three pages.

**Case Study: 10 points**

Choose one of the articles or cases in Learn; read it and analyze it in approximately 1000 words.

**Diary: 10 points**

Write an initial statement about your aspirations for your career and life and how those relate to your expectations for this class. After each class take some time to reflect on what we covered and how it relates to furthering your path. Your participation in class will help steer and direct the discussions toward topics that are germane to your interests. Write about it; document and chronicle our journey and progress.

**Prepare a Written Business Plan or a Business Model Canvas: 20 points**

Two choices… either:

1. Prepare a standard business plan for a small business start-up. Students will work individually. Plans will typically include 12-15 pages of written copy, tables, financial reports, an appendix, etc. I’ll place a sample business plan on LEARN.

2. Complete a Business Model Canvas including ten (10) outside interviews with prospective customers. Students will work individually, not in a team. See http://businessmodelgeneration.com/canvas/bmc and other materials on LEARN.

Students are encouraged to use this course and their business plan assignment as the foundation for entering the annual UNM Business Plan Competition. For more information, visit http://bc.mgt.unm.edu/. Plans submitted after the published deadline will not be accepted.

Grading will be based on the following criteria:
50% Assessment of your business plan and/or model. Is the business viable and will the business make money? Did you integrate all the various business disciplines and marshal them into a strategic entity.

35% Content based on principles and material from the textbook, in-class presentations and discussions, handouts, and other resources.

15% Have you properly organized your business plan and/or model following accepted outlines and is your grammar, spelling, syntax and punctuation error free.

? Extra points may be given for demonstrating creativity, brilliance and originality!

Group Project: 15 Points

In this group assignment, students will develop a business idea, consult to a local small business, or take a deep dive on an interesting business topic. The goal of this assignment is to learn something, codify its impact, and report it to your classmates. Each student consulting team has to determine problems and challenges related their chosen topic and apply the concepts and tools learned in class to complete a thorough analysis and strategic description. The team will present to the class their findings and generalize a take-away that we all can use. The presentations will be in the third quarter of the semester so there is time to do the assignment with some meaningful class instruction behind you but also a bit of time left for your colleagues to implement and incorporate your findings into their individual projects. You will also make a presentation to the entrepreneur and/or manager of the company. Basically find something cool to research or develop; do it and then present it to the class.

CHANGES TO SYLLABUS:

I reserve right to make future changes in this syllabus. As the class progresses and I get a feel for the needs and aspirations of the group, I want to make sure I have the latitude to change things a bit in order to address delivering the material in the most impactful ways. I will give you advance notice for making any change in this syllabus.

GRADING

Student performance in this class will be graded using a modified curve. The curved grading allows me to adjust a student grade according to the class performance. For example, a best score of 85% out of a maximum possible 100% would mean that no student will receive grade higher than B according to straight grading. The use of curved grading addresses this problem. As under the curved grading method, the best score become the new benchmark and the grades are adjust accordingly. However, curved grading does not allow a grader to distinguish between a better versus average performing classes. As a result, I reserve the right to skew the curve up or down based my assessment of entire class performance.
In order to evaluate student performance more accurately, plus/minus grading will be used in this class. Please be aware that this class does not have the option of extra credit or project “re do”.

**COURSE OUTLINE**

**PLEASE BRING YOUR PERSONAL NAME CARD TO DISPLAY IN EVERY CLASS**

1. **January 25  INTRODUCTION: COURSE OVERVIEW**

   **Course Overview**
   - Classroom Objectives/Discuss Expectations
   - Course Format
   - Review Syllabus
   - Introductions

2. **February 1  WHAT IS ENTREPRENEURSHIP?**

   **Theory:** The Entrepreneurial Life

   Integrity & Ethics

   **Discussion Topics**
   - How to recognize opportunity?
   - Benefits and pitfalls of being entrepreneur
   - Talk to a local entrepreneur and describe the benefits they accrue and the problems they face from owning their own business.
   - The tension between ethics and maximizing profits and shareholder value.

   **Theory:** Innovation & Technology

   **Discussion Topics**
   - Moore’s Law
   - Network Effects
   - AI & Robotics
   - Cloud Computing

3. **February 8  TEAM FORMATION & PROJECT ASSIGNMENT**
**Theory:** The Business Plan

<table>
<thead>
<tr>
<th>Business Model Canvas</th>
<th>Chapter 2</th>
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<tr>
<td>Product/Market Fit</td>
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<td>Minimal Viable Products</td>
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<td>Steve Blank/Udacity</td>
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**Project Assignment**

<table>
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<tr>
<th>Date</th>
<th>Topic</th>
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<tr>
<td><strong>February 15</strong></td>
<td><strong>BUSINESS MODELS &amp; VALUE PROPOSITION</strong></td>
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<td><strong>February 22</strong></td>
<td><strong>THE BUSINESS PLAN</strong></td>
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<td><strong>February 29</strong></td>
<td><strong>MARKETING</strong></td>
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**Theory:** Product/Market Fit

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<th>Minimal Viable Products</th>
<th>Chapter 3</th>
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<td>Steve Blank/Udacity</td>
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Discussion Topics

- Relieve pain or create a benefit
- Monetization

**Discussion Topics**

- Roadmap
- Measurement
- Marketing Tool for Recruitment and Finance

**Theory:** Marketing, Branding, Sales & Planning

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<th>Chapters 5&amp;6</th>
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Discussion Topics

- Segmentation & Targeting
- Positioning
- Share & Network Effects

**Theory:** Economics

Discussion Topics

- Market Analysis
- Competition
Due: Project Proposal & Outline
Due: Individual Assignment Proposal

6. February 29  MARKETING II

Theory: Marketing, Branding, Sales & Planning Chapters 7-11
The Marketing Plan

Discussion Topics

- On line strategies: The Sales Funnel
- Content Marketing
- Analytics, Ad Words
- Social Media engagement

7. March 7  ORGANIZATION, ENTITY STRUCTURE & BUSINESS LAW

Theory: Management Team & Legal Structure
Read: Managing and Leading People and Organizations

Discussion Topics

- Building the Team
- LLC or Corporation?
- Corporate Governance

Theory: Business Law

Discussion Topics

- Contracts
- Liabilities
- Law Suits
- Bankruptcy

Due: First draft of group report (5 Points)

8. March 14  Finance

Theory: Forecasting Financial & Funding Requirements Chapters 12 & 13
Discussion Topics
- Costs
- Revenues
- Financial Projections
- Spreadsheets

9. March 21 Finance II

Theory: Sources of Financing Chapters 14 & 15
Discussion Topics
- Raising Capital: How much do you need? How much can you get? How much will it cost?
- Private Placements: the SEC and Reg D
- Valuations & NPV
- 3Fs, Angels, VCs
- Kickstarter & Crowd Funding

10. March 28 ACCOUNTING

Theory: Accounting
Read: Learn Accounting Fast!: Concepts and Practice

Discussion Topics
- Bookkeeping
- Payroll
- Taxes

Due: Second draft of group report (5 points)

11. April 4 ACCOUNTING II

Theory: Understanding & Creating Financial Statements
Read: Learn Accounting Fast!: Concepts and Practice

Discussion Topics
- Balance Sheet
- Income Statement
- Cash Flow Statement; Cash is King
- Relationship between P &L, Cash Flow, and Balance Sheet

### 12. April 11 MANAGEMENT

**Theory:** Management  
Chapters 16 & 17

Read: Managing and Leading People and Organizations

**Discussion Topics**
- Mission & Vision
- Culture
- Goals & Measurement

### 13. April 18 ACCOUNTING III: BUDGETING

**Theory:** Budgets

Read: Learn Accounting Fast!: Concepts and Practice

**Discussion Topics**
- What gets measured, gets managed
- Budget Process
- Budgets vs. Actuals
- Variance Analysis

**Due: Third draft of group project (10 Points)**

### 14. April 25 MANAGEMENT II

**Theory:** Human Resources  
Chapters 18 & 19

Read: Managing and Leading People and Organizations

**Discussion Topics**
- Hiring & Firing
- The New World of Work
- Race Against the Machines
- 4 Hour Work Week

**Theory:** Operations

**Discussion Topics**
- Manufacturing
- Inventory: Buffer or Suffer
- Working Capital
- Digital Downloads & Dematerialization
16. May 2 PRODUCTS AND SERVICES

Theory: Products and Service

Discussion Topics
- MVP
- Freemium
- Customer engagement & feedback

Theory: Building Customer Relationships

Discussion Topics
- Customer Life cycle
- Customer Acquisition

14. May 9 NEGOTIATIONS, STRATEGY & LEADERSHIP

Theory: Negotiations

Discussion Topics
- How to Negotiate
- BATNA
- Getting to Yes
- Getting Past No

Theory: Strategy

Discussion Topics
- Putting it all together

Theory: Leadership

Discussion Topics
- Motivating and Inspiring
- Downsides & Costs of Leadership
Final Project Report Due on May 9th, 2016

ACADEMIC INTEGRITY

Anderson School of Management faculty, staff and students commit to values of trust, honesty, integrity, and accountability. We will not tolerate academic dishonesty. By enrolling in any course at Anderson, the student accepts the Anderson Academic Honesty Code and affirms the following pledge:

_I will not lie, cheat, fabricate, plagiarize or use any other dishonest means to gain unfair academic advantage._

Any violation of the code of conduct will be taken very seriously and appropriate sanctions will be applied. FOR FULL TEXT OF ANDERSON’S ACADEMIC HONESTY CODE, please visit [http://www.mgt.unm.edu/honesty](http://www.mgt.unm.edu/honesty)

ADA STATEMENT

Reasonable accommodation will be given to any individual with a legitimate disability. Please contact the instructor privately for arrangements. If you are a qualified person with disabilities who might need appropriate academic adjustments, please communicate with me as soon as possible so that we may make appropriate arrangements to meet your needs in a timely manner. Frequently, we will need to coordinate accommodating activities with other offices on campus. Course materials can be made available in alternative formats.
Peer Evaluation for Mgmt 324 Team Cases

List the names of yourself and your team members below, along with the percentage of contribution (in terms of quantity AND quality) that each team member added to this assignment. Your evaluation will remain confidential.

Team: __________________

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The Most Valuable Player on our team is:

Comments: You must comment on anyone to whom you assigned a higher or lower percentage. Explain why your MVP is deserving of this honor.
**Contract – SIGN BELOW AND RETURN BY THE END OF CLASS**

I have read the syllabus for MGT 324 (Spring 2016). With my decision to take this class, I understand the above statements and work load, and I agree to participate and do my best.

______________________________
Print Name

______________________________
Signature

______________________________
Date