

BA in Management Program
Fall 2021
MGMT402 – Entrepreneurship

Instructor: Kerem Kılıç
Office: SBS 1016
Phone: (216) 483-9687
Fax: (216) 483-9699
E-mail: kerem.kilic@sabanciuniv.edu
Web: SUCourse + Google Drive
Office Hours: Every Friday 10:00-13:00, SBS 1016

Teaching Assistant: Dilara Çavdar (dilara.cavdar@sabanciuniv.edu)

Type	Time	Days	Classroom	Zoom
Class + Online	8:40 - 10:30	M	Fac. of Engin. and Nat. Sci. G032	Zoom link
Class + Online	16:40 - 17:30	R	Fac. of Arts and Social Sci. G018	Zoom link

Course Objective:

You may want to start a new venture. You may find yourself starting a new venture in the future. You may find yourself working for an entrepreneur, funding entrepreneurs, or having to work with them. Or you may simply want to be more entrepreneurial in your own career. The purpose of Management 402 is to be helpful to you under any of these circumstances with a whirlwind tour of the many dimensions of new venture creation and growth. We will be concerned with issues that relate to conceptualizing, developing, and managing successful new ventures.

The course addresses the management challenges associated with starting and successfully running a new venture. The main bulk of the course examines the phenomenon of entrepreneurship. Theoretical models and actual examples emphasize how technological and organizational systems are critical components of an "entrepreneurial mindset". The focus will be on techniques and strategies that encourage innovation and entrepreneurship and the critical success factors for entrepreneurs including knowledge, skills, and abilities.

The objectives of the course are:

1. To develop an awareness of the range, scope, and complexity of the phenomena, issues, and problems related to entrepreneurship.
2. To develop insights into the conditions under which structural arrangements and systems are likely to facilitate entrepreneurship.
3. To understand the role of entrepreneurs in developing a business opportunity.
4. To learn the primary tasks and decisions that are required to turn an idea into a sound business opportunity.
5. To teach how business plans are created to define the business opportunity.
6. To highlight the problems faced in implementing a plan for a new business opportunity, financing and scaling the business.
7. To teach the main components of developing business models and products.
8. To talk about the possibilities such as social entrepreneurship.

Learning Outcomes:

After finished this course students are expected to be able to

- understand the entrepreneurship process, its main components and the relationship between these components
- recognize and evaluate entrepreneurial opportunities
- understand the venture formation process including team formation, organization, acquiring and managing resources
- be aware of the main requirements to create a business plan and how to write it
- develop a practice of being able to pitch your ideas in a professional way.

Course Material:

The required readings and case studies are from the Harvard Business Publishing Course Pack created for this course.

If there is a case assigned for the session, you are expected to fully read the case before the session, so that you can join the discussion. You can prepare for the case discussion as a group. I can use contents and examples from other sources in the course slides as well, which also count as course material.

List of Cases and Exercises

Please carefully go over the list of classroom materials below. *Every student is expected to read the cases in full to prepare for the debate in class.*

Week 1 Course Overview, Introduction to Entrepreneurship

Material: **Apple's Core**

Instructions:

- Is this a good founding team? What should Wozniak do now? What would you do?

Week 2 Entrepreneurial Mindset: Recognizing and Shaping Opportunities

Material: **Critterati: Redefining Pet Culture**

Instructions:

- Was Chawla justified in launching Critterati? Did he have the traits of an entrepreneur?
- How has Critterati managed to survive three years in operation? Discuss its strengths, weaknesses, opportunities and threats.

Week 3 Value Proposition: Understanding Your Customers

Material: **A Maestro without Borders**

Instructions:

- What are the pain-points of traditional classical music concert-going experience?
- What is the key logic underlying André Rieu's business success?

Week 4 Business Models

Material: **Business Model Challenges: The Electric Vehicle Company**

Instructions:

- How would you evaluate EVC's business model? What would you have designed differently and why?

Week 5 Lean Startup Methods 1

Material: **Rent the Runway**

Instructions:

- Create a timeline of actions undertaken by Rent the Runway's cofounders. Do you agree with the decision to pursue each action?
- Which actions were particularly important in validating business model hypotheses and refining the concept?

Week 6 Lean Startup Methods 2

Material: **Decofruta: New Flavors in the Business Model**
Instructions:

- What was Decofruta's value proposition in 2013? How has their value proposition changed since its foundation?
- At the time when they decided to enter into the European market, what business hypotheses did the founders have in mind?

Week 7 Financing

Material: **Case: Square Inc.: Financing a Unicorn**
Instructions:

- What characteristics do the firms in case Exhibit 2 have in common? do you agree with Marc Andreessen's thoughts regarding unicorn valuation levels?
- How are venture capital funds structured? How are private equity firms compensated? Why may Khosla Ventures be motivated to push for Square to seek an exit?

Week 8 Attracting Talent and Organizing for Growth

Material: **Peak Games: Hiring Priorities in Times of Rapid Growth (A)**
Instructions:

- What were the main challenges related to attracting talent for Peak Games? What did the company do primarily to address them?
- In your opinion, have the steps taken by the management ensured a sustainable growth for the company in the near future?

Week 9 Growth & Exit

Material: **Moleskine (A)**
Instructions:

- What gives Moleskine its competitive advantage?
- What are the most urgent challenges facing CEO Berni at the end of the case? How should they address them?

Week 10 Entrepreneurship Simulation

Material: **The Startup Game**
Instructions: TBD

Week 11 Group Project Presentations

Material: N/A
Instructions:

Week 12 **Competition and Platform Markets**

Material: **Uber vs Didi: The Race for China's Ride Hailing Market**

- Instructions:
- What is Uber's value innovation? How did it create blue ocean?
 - What is the competitive advantage of Uber? How transferable is Uber's competitive advantage to an emerging market such as China?

Week 13 **Social Entrepreneurship**

Material: **Homeless World Cup**

- Instructions:
- What are the key growth factors that explain the growth to date of the HWC?
 - What are the potential benefits and risks associated with the partnership with Nike?

Week 14 **Case Study and Revision**

Material: **Yemeksepeti: Growing and Expanding the Business Model through Data**

- Instructions:
- Evaluate the early growth of Yemeksepeti. What did the company do well and how could it have been better?
 - Why has Joker program been successful and would you expand it?

Course Web:

Lecture slides will be uploaded to SUCourse after each class.

Detailed information on your assignments will also be announced on SUCourse. The students should upload their homework using SUCourse as word files or ppt files depending on the content.

Sabancı University uses a powerful web-based tool called Turnitin. Turnitin is the worldwide standard in online plagiarism prevention. It allows instructors to compare student papers against a database composed of millions of articles. *Every paper you submit will be scanned by Turnitin, and results will be reflected in your grades.*

Instructional Design:

The course will be taught *online* with an interactive and experiential approach using a variety of tools and methods. We will have:

- Guest speakers
- Case discussions
- Hands-on team project
- Group presentations

See the content for each session in the course schedule at the end of this document.

List of Guest Speakers:

We will have different guest speakers such as actual entrepreneurs, financiers, or experts that will talk about the subjects we covered in class each week.

The list of guest speakers will be announced on SUCourse.

Grading:

Attendance	5%
Participation	10%
Group project	40%
Group presentation	20%
Final exam	25%
Pitch challenge (bonus)	10%

Requirements:**A. Individual Effort (40% + 10%)**

1. **Attendance (5%):** The instructor will measure attendance using online tools, and the attendance score constitutes 5% of your overall grade. You are not counted as present if you join the session 10 minutes late or leave early.
2. **Participation (10%):** Participation refers to actual contribution to the learning in the session. Inputs to discussions, asking smart questions, comments, and responses to questions by the instructor and reactions to your classmates' arguments are examples of participation. Reading the required material for the week and thinking on the topic before coming to class is essential for high-quality participation. Sitting silent all term long will lead to zero points on your participation grade, even if you attend all classes.
3. **Final exam (25%):** The final exam will cover all term's content. The lecture slides are considered part of the course content, including the content in the slides that may be coming from resources other than your required readings. There will be both multiple choice and essay type questions in the exams, some of which will evaluate your critical thinking on the topics as well as your capability to apply them on real cases. A make-up for the final exam will only be possible if you have a valid health report.
4. **Pitch Challenge (Bonus 10%):** All students who make a 3-minute idea pitch can gain up to 10% bonus points. The pitches must be done individually, and they should cover at least 3 of the concepts we covered in class. The pitch videos should be submitted after the final exam and should include a professional video recording of the student.

B. Group Effort (60%)

1. **Group Project (40%):** You will work as a group on weekly assignments. Teams will be chosen randomly by the professor and will not be subject to any changes. The group project is intended to have you apply the concepts we learnt in class to an entrepreneurial idea or opportunity you have identified. Accordingly, each team will be asked to choose an entrepreneurial idea that they will work on through the semester. This can be an existing idea that one or more team members would like to pursue, or a more hypothetical project at the idea generation phase. In either case, I expect your project to be original, realistic and comprehensive enough so that you can work on it for the duration of the course.

At the end of each session, you will receive detailed instructions on what is expected for that week. You will likely receive 2-3 questions asking you to apply one or more of the concepts that are covered in class that week. Your submissions should be sent before the next class. This is a strict deadline. Submissions could be in a report or presentation format, as you see fit. There are no minimum or

maximum length requirements. If you use any data, graphs or quotes, you must give references to your sources. Failing to do so will cause you to lose points.

Grading will be done first at the group level, then at the individual level. In other words, every member of the team will receive a base point, which will then be adjusted based on the Peer Evaluations. Your teammates' assessment of your efforts is essential and might create sizable differences between scores within teams. The instructor may upload any updates or additional guidelines on the team project to SUCourse.

- 2. Group Presentation (20%):** You will be making a 15-minute presentation of your team project. This should sum up your weekly submissions and paint a coherent and professional image of your entrepreneurial idea to your classmates. Your presentation should also be uploaded to SUCourse. Each team member should have a substantial role in the presentation, and you are free to use any presentation tool and material.

You will be graded first at the group level, then at the individual level. In other words, every member of the team will receive a base point, which will then be adjusted based on the Peer Evaluations. The assessment of your efforts by your teammates is important and it might create sizable differences between scores within teams. Any updates or additional guidelines on the team project will be uploaded to SUCourse.

Peer Evaluation in Group Project and Group Presentation

Students will be asked to provide an evaluation of the members of their team for their team project. Each student will divide 100 points between the members of her team, including herself. This division should reflect that person's judgment of the contribution of the members of her team. The scores should not be merely functions of time spent by each member, but they should be measures of the "contribution;" their relative contribution to the idea generation, research, analysis, writing, oral presentation, report writing, etc. If the team was highly functional and each member did what they committed themselves to, the student can assign the same mark to each team member. If, on the other hand, some team members did not fulfill their commitments and did not contribute as much as the others, then those members might receive lower grades.

The instructor will aggregate the points submitted by all members of the team. Every student will be given his/her aggregate peer evaluation, without disclosing the individual peer evaluations to the students. In case there is no consensus among the team, for example, if three students divide the marks evenly and the fourth one divides them unevenly, the instructor will use his/her judgment to assign peer evaluation marks--possibly after meeting with the members of the team. In cases where there are conflicting marks, it is most likely that the instructor will meet with the team members and provide a mark based on an interview. For example, in a group of four, if Students A and B believe they did most of the work, and Students C and D believe otherwise, the team may be called in for an interview in order to be fair to everyone. The peer evaluation will have a direct impact on your team project grade. To give a simple example, if the group mark is 25 out of 30, and if your peer evaluation indicates that your contribution was less than what was expected, then your team project mark will be less than 25 out of 30.

Academic Honesty:

Learning is enhanced through cooperation and as such you are encouraged to work in groups, ask for and give help freely in all appropriate settings. At the same time, you should only represent your work as yours as a matter of personal integrity. Any work submitted to be evaluated in this class should be an original piece of writing, presenting your ideas in your own words. The student must properly cite everything they borrow from books, articles, or web sites (including those in the syllabus). Although you are encouraged to discuss your ideas with others (including your friends in the class), you mustn't share your writing (slides, MS Excel files, reports, etc.) with anyone. Using ideas, text and other intellectual property developed by someone else while claiming it is your original work is *plagiarism*. Copying from

others or providing answers or information, written or oral, to others is *cheating*. Unauthorized help from another person or having someone else write one's paper or assignment is *collusion*. Cheating, plagiarism and collusion are serious offenses that can result in an F grade and disciplinary action.

Classroom policies and conduct

Sabancı BA in Management Program values participatory learning. Establishing the necessary social order for a participatory learning environment requires that we all:

- Come prepared to make helpful comments and ask questions that facilitate your own understanding and your classmates.
- Listen to the person who has the floor.
- Join the session on time.
- DO NOT use laptops or mobile phones in the class unless permitted by the instructor during some in-class exercises.

Course Schedule:

Week 1	Course Overview, Introduction to Entrepreneurship
Requirements:	<ul style="list-style-type: none">• Case: Apple's Core
Week 2	Entrepreneurial Mindset: Recognizing and Shaping Opportunities
Requirements:	<ul style="list-style-type: none">• Reading: Recognizing and Shaping Opportunities• Case: Critterati: Redefining Pet Culture
Week 3	Value Proposition: Understanding Your Customers
Requirements:	<ul style="list-style-type: none">• Case: A Maestro without Borders
Week 4	Business Models
Requirements:	<ul style="list-style-type: none">• Reading: Developing Business Plans and Pitching Opportunities• Case: Business Model Challenges: The Electric Vehicle Company
Week 5	Lean Startup Methods 1
Requirements:	<ul style="list-style-type: none">• Reading: Experimenting in Entrepreneurial Ventures• Case: Rent the Runway
Week 6	Lean Startup Methods 2
Requirements:	<ul style="list-style-type: none">• Reading: Experimenting in Entrepreneurial Ventures• Case: Decofruta: New Flavors in the Business Model
Week 7	Financing
Requirements:	<ul style="list-style-type: none">• Reading: Financing Entrepreneurial Ventures• Case: Square Inc.: Financing a Unicorn
Week 8	Attracting Talent and Organizing for Growth
Requirements:	<ul style="list-style-type: none">• Reading: Attracting Talent and Building Ecosystems (pages 0-11)• Case: Peak Games: Hiring Priorities in Times of Rapid Growth (A)
Week 9	Growth & Exit
Requirements:	<ul style="list-style-type: none">• Reading: Leading High Growth Ventures• Case: Moleskine (A)
Week 10	Simulation
Requirements:	The Startup Game
Week 11	Group Project Presentations
Requirements:	N/A
Week 12	Competition and Platform Markets
Requirements:	<ul style="list-style-type: none">• Case: Uber vs Didi
Week 13	Social Entrepreneurship
Requirements:	<ul style="list-style-type: none">• Case: Homeless World Cup

Week 14**Case Study**

Requirements:

- Case: Yemeksepeti: Growing and Expanding the Business Model through Data