**Professionals MBA Program
Spring 2020-2021**

**MGMT 545 (MGMT 835)– New Venture Creation**

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**Office Hours:** Wednesday 15:00-16:00

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| --- | --- | --- | --- |
| **Type** | **Time** | **Days** | **Where** |
| Class | 19:00-22:00 | W |  |

**Course Objective:**

The course addresses the challenges associated with creating and starting a new venture. In this course we will focus on the early stage of creating a new venture. At this early stage of entrepreneurial process two issues are crucial: (i) identification and refinement of entrepreneurial opportunities and (ii) business design and leveraging necessary resources to successfully launching the business. This course focuses on these two issues and aims to provide students with knowledge and skills on

* The complexity of entrepreneurial process, the requirements of entrepreneurial mindset and entrepreneurial intentions
* Creativity and finding a business idea
* From business idea to opportunity: identifying and refining entrepreneurial opportunities
* Business design and model
* Entrepreneurial teams
* Writing a business plan and business pitching
* Funding the new venture and resource leveraging

**Learning Outcomes:**After finished this course students are expected to be able to

* recognize and evaluate entrepreneurial opportunities, distinguish a good entrepreneurial opportunity from a business idea.
* understand the requirements of venture formation process including team formation, organization, acquiring and managing resource
* create and develop a business model and document the main elements of the business model and business plan.
* Understand the requirements of preparing and giving a perfect business pitch.

**Course Material:**

Harvard Business Publishing Entrepreneurship Core Curriculum and supportive readings:

*Week 1:*

Applegate, L. & Carlson, C. (2014) “Recognizing and shaping opportunities”, Harvard Business Publishing CoursePack.

Week 2:

Mullins, J. (2017). The counter-conventional mindsets of entrepreneurs. Harvard Business Publishing CoursePack.

Tjan, A. (2012) “Great businesses do not start with a plan”, Harvard Business Publishing CoursePack.

Week 3-4

Eisenmann, T.R.; Ries, E. & Dillard, S. (2014). “Experimenting in the entrepreneurial venture”, Harvard Business Publishing

Applegate, L. & Carlson, C. (2014) “Developing business plans and pitching opportunities”, Harvard Business Publishing CoursePack.

Blank, S. (2013) ‘Why lean start-up changes everything’, Harvard Business Review, May
2013, pp. 64-72.
Week 5:

Applegate, L (2015). Leading High-Growth Ventures, Harvard Business Publishing CoursePack.

Applegate, L; Carlson, C (2014). Attracting Talent and Building Ecosystems, Harvard Business Publishing CoursePack.

Week 6:

Malhotra, D. (2013) ‘How to negotiate with VCs’, Harvard Business Review, May 2013, pp. 84-90.

“How Venture Capitalists Really Assess A Pitch”, Harvard Business Publishing CoursePack

Week 7:

Wolcott, R.C.& Lippitz, M.J. (2007). The four models of corporate entrepreneurship. MIT Sloan Management, Harvard Business Publishing CoursePack

**List of Cases**

|  |  |  |
| --- | --- | --- |
| **Case 1** | **Date:** | **March 23, 2022** |
| Case:Type: Subject:Teamwork?: Grading: | WymseePaperBusiness model crafting; innovationsYesIndividual |
| **Simulation** | **Date:** | **April 6, 2022** |
| Simulation:Type: Subject:Teamwork?:Grading: | Innovation marketing simulation: Crossing the chasmSimulationScaling upYes/discussionIndividual |

**Optional Reading Material:**

* Aulet, Bill. Disciplined Entrepreneurship: 24 Steps to a Successful Startup. Wiley, 2013. E-book available at [https://risc01.sabanciuniv.edu/record=b2145937\*eng](https://risc01.sabanciuniv.edu/record%3Db2145937%2Aeng)
* Thiel, Peter. Zero to One. Note on startups or how to build the future. Virgin Books, 2014.
* Bhide, A. (1996) ‘The questions every entrepreneur must answer’, Harvard Business
Review, Nov- Dec 1996, pp. 120-130.
Liedtka, J.M.; King, A. and Bennett, K. (2013). Re-framing opportunities: Design thinking in action. Rothman Management, Fall 2013, p. 35
* Kim, C. & Mauborgne (1999) ‘Creating a new market place’, Harvard Business Review, Jan-Feb. 1999, pp. 83-93.
* Magretta, J. (2002) “Why Business Models Matter” Harvard Business Review. May-2002, p. 86
* Zook, C. & Allen, J. (2011) ‘The great repeatable business model’, Harvard Business
Review, Nov. 2011, p. 106
* Elsbach, K. (2003) ‘How to pitch a brilliant idea’, Harvard Business Review, Sep. 2003, pp. 117-123
* Malhotra, D. (2013) ‘How to negotiate with VCs’, Harvard Business Review, May 2013, pp. 84-90.
* Kuratkı, D.F.; Hornsby, J.S. & Govin, J.G. (2014). Diagnosing a firm’s internal environment for corporate entrepreneurship. Business Horizons, 57: 37-47.

**Course Web:**

Lecture notes, questions for case study analyses, information about assignments and your grades will be available on SuCourse site. Lecture slides and recordings of online classes will be uploaded to SuCourse after each class. Detailed information on your assignments will also be announced on SuCourse. Students are required to upload their homework using SuCourse in the requested file format depending on the content.

Students should frequently check the website at SUCourse. The Announcements component of SUCourse will be actively used for sharing announcements. The following components of SUCourse will also be actively used: Assignments, evaluation and Turnitin. 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 with an interactive approach using a

variety of tools and methods. We will have

* Case discussions
* Guest speakers
* In-class exercises
* In-class student presentations
* Research assignment
* Team project

**Grading**:

|  |  |
| --- | --- |
| Attendance & participation | : 15% |
| Case analysis paper | : 15%  |
| Simulation &simulation paper | : 20%  |
| Individual opportunity assessment | : 20% |
| Team project (business plan and final pitch) | : 30% |

Peer Evaluation in Teamwork

Students will be asked to provide an evaluation of the members of their team in 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, then the student can assign the same mark to each member of the team. If, on the other hand, some members of the team did not fulfill their commitments and did not contribute as much as the others, then points can be distributed unevenly.

The points submitted by all members of the team will be aggregated by the instructor. 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, then 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. Past experience indicates that in most groups points will be distributed evenly. There will be a few groups where peer evaluations will play a role in the marks. The primary goal of this exercise is to avoid giving undeserved credit to individuals who did not help their teams. However, it is possible to have upwards adjustments of marks in case of students who have done more than what the group expected of them.

The peer evaluation will have a direct impact on your Team Project. To give a simple example, if the group mark is 20 out of 25, and if your peer evaluation indicates that your contribution was less than what was expected, then your Team Project mark will be less than 20 out of 25. There are no simple rules for adjustment.

**Requirements:**

**Individual assessment:**

**Attendance & Class participation:**

Class participation includes class attendance and being involved in classroom discussions. The subject will be conducted for the most part as a discussion seminar with group work. Your contribution is important for discussions, since what you learn will depend upon what you put into the course (your own knowledge, experience, insights, and participation). That is why participants are expected to be thoroughly prepared and participate actively in-group discussions and to help others learn. Although classes will be streamed online, in-person (physical) attendance is also important. Students will be expected to attend physically min. 50% of the classes.

**Case analysis paper (15%, 750-1500 words, 12 pt., double spaced)**

The case study will be discussed by students in the classroom. Group discussions will also be held. After the in-class discussions, students will be required to write a reflection paper on the case. Students will discuss the addressed questions and issues related to the case in the classroom. They are requested to prepare an individual reflection paper on their main takeaways from the case, what they have picked as important, what they have learned from the case, what they did find important and critical in the case.

**Simulation & Simulation paper (20%, 750-1500 words, 12 pt., double spaced)**

It is a single-player simulation. Students are given a short brief about the simulation. They will run the simulation in their own computer. All technical details will be provided before the session. The instructor will be able to track the decisions of each student
separately and will get the report for each student. Students are expected to complete this
activity and also prepare a short report that should include the logic of their decisions, how successful they are and what they would change to be more successful.

**Individual opportunity assessment (20%, 750-1500 words, 12 pt., double spaced):**

Students are required to find and develop a business idea. It might be an idea that they have been thinking for a while or a completely new one discovered during the course. First, student should give a brief summary of the idea and the problem or need that the idea addresses. The potential of the idea should also be briefly discussed. Second, students are expected to understand the industry or the market that plan to enter. In this second part of the assignment, students need to discuss: the size of the target market and new trends in this market, nature of competition in the market and the actions that should be taken to have competitive advantage in this market, whether there are similar products/services in the market, if the answer is yes, what is the innovation you will bring to the market. Please use real data, statistics and industry reports and cite these resources appropriately.

**Group work assessment**

**Team project (30%, 5-minute presentation and written report, 3000-8000 words, 12 pt, doubled spaced)**

Team members (3-5 students) will work together to accomplish the project. The project will include the creation and development of a business opportunity. Teams are expected to work together to find a business opportunity, to refine it to prepare a sound business model for their opportunity. Teams will also make a pitch deck presentation. Pitch presentation is a very brief presentation used to provide your audience with a quick overview of your business. Teams will also prepare a written report to explain their business model.

**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, as a matter of personal integrity, you should only represent your own work as yours. Any work that is submitted to be evaluated in this class should be an original piece of writing, presenting your ideas in your own words. Everything you borrow from books, articles, or web sites (including those in the syllabus) should be properly cited. Although you are encouraged to discuss your ideas with others (including your friends in the class), it is important that you do not 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 could result in an F grade and disciplinary action. Please pay utmost attention to avoid such accusations.

**Classroom policies and conduct**

Sabancı Professionals MBA 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 that of your classmates. This requires that you complete the assigned readings for each session before class starts.
* Listen to the person who has the floor.
* Come to class on time.

**Course Schedule:**

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| --- | --- | --- |
| **Week 1** | **Date:**  | **March 9, 2022** |
| Topic: | Creating new business ideas and identifying business opportunities. Design thinking, creativity, transforming ideas into entrepreneurial opportunities |
| Requirements: | Assigned readings (please check the reading list) |
| **Week 2** | **Date:** | **March 16, 2022** |
| Topic: | Understanding entrepreneurial talent, motivations and attitudes that brings success: Causation, effectuation and bricolage |
| Requirements: | Assigned readings (please check the reading list) |
| **Week 3** | **Date:** | **March 23, 2022** |
| Topic: | Crafting a business model and developing a business plan. Lean entrepreneurship and hypothesis driven approach, business model canvas and lean canvas. |
| Requirements: | Assigned readings (please check the reading list)**Case study: Wympee** |
| **Week 4** | **Date:** | **March 30, 2022** |
| Topic: | Understanding customers and market. Early adopters, customer interviews and feedbacks, product-market fit, crossing the chasm. |
| Requirements: | Assigned readings (please check the reading list) |
| **Week 5** | **Date:** | **April 6, 2022** |
| Topic: | Scaling up and managing the growth. Entrepreneurial teams, organizations, crafting a scale up strategy, managing the challenges of growth. |
| Requirements: | Assigned readings (please check the reading list)**Simulation: Crossing the chasm** |
| **Week 6** | **Date:** | **April 13, 2022** |
| Topic: | Pitching a new venture, searching and acquiring resources from external stakeholders, financing your venture, communicating your vision to investors.  |
| Requirements: | Assigned readings (please check the reading list)**Guest lecturer** |
| **Week 7** | **Date:** | **April 20, 2022** |
| Topic: | Entrepreneurship in corporate environment (corporate entrepreneurship or intrapreneurship) |
| Requirements: | Business plan pitches (team presentations) |