

# **MGMT 801: Entrepreneurship (0.5 cu)**

Prof. Tyler Wry

Fall 2019 Q1

The Wharton School, University of Pennsylvania

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Mon, Wed.

*Classroom:* TBD

*Office Hours:* by appointment

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## ***I. OVERVIEW AND PROCEDURES***

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 801 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.

As the entry level course in Entrepreneurial Management, MGMT 801 also serves a gateway for other courses that will allow you to further pursue your interests in specific entrepreneurship domains (e.g. venture capital investment) through Wharton Entrepreneurship.

The class is highly experiential and hands-on, with sessions designed to familiarize you with the many dimensions of entrepreneurship and new venture development. Most of the examples we discuss in class will relate to venture formation, but the underlying principles will also apply to entrepreneurship in corporate settings and to social entrepreneurship.

## ***II. GRADING***

- 10% Initial idea assignment
- 50% Team project
- 20% Swag day
- 20% Class participation

### **Individual Idea Assignment (10%)**

Using concepts covered in class, each student will identify and evaluate three potential venture ideas. For each, you will provide: (1) an overview of the idea and the need that it addresses; (2) your evaluation of each idea's potential, and; (3) a brief discussion of how you identified the opportunity. Dedicate about half a page of single-spaced text to each idea. After this, provide a brief analysis of which idea has the most potential and why.

## **Team Project (50%)**

For most of the class, you will work as a member of a team (4-7 people) to develop and test a new venture idea of your own choosing. Ultimately, each team will produce a 10-12 slide pitch deck that covers all key aspects of the venture. We will arrive at this deliverable through the following steps:

### **Deliverables:**

- *Outline:* Each team will submit a 2-3 page venture outline on Canvas. This should include a statement of the problem that your venture will address, your proposed solution, and a brief viability analysis (i.e., preliminary competitive and market analyses).

This submission is a binding statement of your term project. Make sure that the names of all team members are on the submission. We will set up appointments to discuss the outline.

- *Data gathering report (20%):* See Canvas for description
- *Mini-pitch (10%):* Each team will do a mini-pitch and receive feedback.
- *Final report (20%):* Each team will produce a 10-12 slide annotated pitch deck. This will include all of the materials that are typically included in a pitch deck, along with extensive notes (i.e., annotations) that detail the evidence supporting the points on each slide.

## **Swag Day (20%, peer -graded)**

This assignment is a live-fire drill that requires you to get outside of the classroom and do something entrepreneurial. On the surface, the assignment is simple: each team will bring something of value for the class to enjoy. This can be just about anything (e.g., free food, a live experience, lunch with Richard Branson, etc...), but the more creative and ambitious the better.

The challenge, though, is that you **CANNOT PAY FOR THE ITEM(S)** you bring in. As in entrepreneurship, you will need to be resourceful, innovative, and use your powers of persuasion.

Each team will present their item to the class and tell the story of its acquisition. The assignment is peer-graded based on the perceived quality of the swag and the story of how it was acquired.

## **Peer evaluation**

The individual grade on the group assignments will be weighted according to peer review. You will be asked to rate the contribution of each member of your team by assigning a percentage score that reflects their effort. Therefore, individual grades are likely to vary within each team.

## **Class Participation (20%)**

You are expected to come to class prepared to discuss and engage with the material we will be covering. Attendance is very important. Especially in an area like entrepreneurship, learning occurs through interaction. *Do not come late to class.* Your participation grade is also affected by any class that you miss beyond one absence. To ensure that the class is highly interactive, each student is asked to bring his/her name plate to every class meeting.

## **Fall 2019, Quarter 1**

*Schedule May Change. Most Up-to-Date Schedule in on Canvas*

<b>No.</b>	<b>Date</b>	<b>Day</b>	<b>Topic</b>	<b>Assignment Due</b>
1	8/28	Wed.	<b>Intro &amp; Idea Generation</b>	
	<b>9/02</b>	<b>Mon</b>	<i>No class – Labor Day</i>	
2	9/04	Wed.	Venture introductions and team formation	Initial Idea
3	9/09	Mon.	<b>An evidence-based approach 1:</b> Opportunity analysis	
4	9/11	Wed.	<b>An evidence-based approach 2:</b> Interviews and research	Team Project Overview
5	9/16	Mon.	<b>Business models 1:</b> Building your model	
6	9/18	Wed.	<b>Business models 2:</b> Model Innovation	
7	9/22	Mon.	<b>Entrepreneurial Strategy 1:</b> Hypothesis Testing	
8	9/25	Wed.	<b>Entrepreneurial Strategy 2:</b> MVP Tests	
9	9/30	Mon.	<b>Effective pitching:</b> Strategies and delivery	
10	10/2	Wed.	Mini-pitch	Data Gathering Results
11	10/7	Mon.	<b>Resources:</b> People, partners, and money	
12	10/9	Wed.	<b>Market traction:</b> Guest speaker, Ted Iobst, founder of Colugo	
13	<b>10/14</b>	<b>Mon.</b>	<i>No class – Swag Day prep</i>	
14	10/16	Wed.	Swag Day	Final Report

## Management 801: Course Readings

### Session 4: Interviews and Research

“Customer discovery and validation for entrepreneurs” by F. Cespedes, T. Eisenmann, S. Blank. HBS note 9812-097

“Customer visits for entrepreneurs” by F. Cespedes, HBS note 9-812-098  
<http://giffconstable.com/2010/07/12-tips-for-early-customer-development-interviews/>

### Session 5: Business Models

“Business model generation: a handbook for visionaries, game changers, and challengers” by A. Osterwalder and Y. Pigneur. John Wiley & Sons, 2010. (pgs. 1-50)  
<https://assets.strategyzer.com/assets/resources/business-model-generation-book-preview-2010.pdf>

“Business Model Analysis for the Entrepreneur” HBS note 9-812-096.

### Session 6: Business Model Innovation

“Creating Value through Business Model Innovation” by R. Amit and C. Zott, *Sloan Management Review*, 2012

“Startups Rarely do Anything Well” <http://venturefizz.com/blog/startups-rarely-do-anything-well>

### Session 7-8: Hypothesis Testing

“Hypothesis driven entrepreneurship: The lean startup” by T. Eisenmann, E. Ries, S. Dillard, HBS Note 9812-095.

“The Lean Startup: How Today’s Entrepreneurs use Continuous Innovation to Create Radically Successful Businesses” by Eric Ries (*recommended, not required*)

### Session 9: Effective Pitching

“How to Pitch a Brilliant Idea” by K. Elsbach, *Harvard Business Review*, September 2003, p. 117.

“Defend your Research: We can Measure the Power of Charisma” by A. Pentland, *Harvard Business Review*, Summer 2009, p. 35.

“Entrepreneur Passion and Preparedness in Business Plan Presentations: A Persuasion Analysis of Venture Capitalists’ Funding Decisions” by X.P. Chen, X. Yao, and S. Kotha, *Academy of Management Journal*, 2009, 52, p. 199 [read the introduction, pp. 199-200, and discussion pp.209-211]

### Session 11: Resources: People, partners, and money

“Catalyzing strategies and efficient tie formation: How entrepreneurs obtain venture capital Ties” B. Halen, K. Eisenhardt. *Academy of Management Journal*, 2011. (link to be provided)

“Cultural Entrepreneurship: Stories, Legitimacy, and the Acquisition of Resources”. M. Lounsbury, MA. Glynn, *Strategic Management Journal*, 2001 (pgs. 1-8) (link to be provided)

“The Art of Startup Fundraising: Pitching Investors, Negotiating the Deal, and Everything Else Entrepreneurs Need to Know” by A. Cremandes (*recommended, not required*)