

The Wharton School

The University of Pennsylvania

**Management
8310/2310**

Entrepreneurship Launchpad

Course Syllabus

Instructor

Tyler Wry
Associate Professor of Management
Steinberg-Dietrich Hall, 2211
Office hours: By Appointment
Email: twry@wharton.upenn.edu

Teaching Assistant

I. OVERVIEW

At base, entrepreneurship is about creating something that matters; both to yourself and to others. It is important to be very clear about why you want to start a business, and to think strategically about how to get buy-in from the varied constituencies that you will need to support your efforts. Doing so requires a nuanced understanding of your potential customers, team members, advisors, and investors, as well as a development approach that creates value for these stakeholders without obscuring what excites you about the venture. This is the core of MGMT 8060.

Students are expected to come to the class with a venture concept that they are actively working on. The course is about getting your venture market-ready, not about ideation and opportunity recognition.

Building on this foundation, the class will provide a roadmap—backed by the latest academic research—to follow as you take steps toward launching your venture. Sessions will focus on: how to validate your idea, how to build advantage through your business model; how to stress test underlying analyses and assumptions, how and when to formalize the venture, and how to fundraise in the way that’s right for you (hint: it’s not always venture capital).

Each session includes a mix of lecture material and in-class activity, accompanied by practical tools that you can apply to your venture. The class is designed to be highly collaborative; it is expected that you will help others to develop and refine their ventures, and that they will do the same for you. The class concludes with a pitch-competition judged by active venture capital investors.

II. ASSIGNMENTS AND GRADING

The assignments in this class build on a common framework (checklist) designed to provide an honest assessment of your venture’s development, and what areas should be prioritized going forward.

There is no expectation about how far you will progress, only for how much effort you put in. Reflecting the iterative nature of venture creation, some teams will move rapidly through different development stages, and others will need to use multiple assignments to “tighten the screws” in just a handful of areas. Both are completely fine.

Pre-work assignments (5% each) (1-2 pages)

A big part of what we’ll do in this class focuses on stress-testing and building on your existing work with, and plans for, your venture. To facilitate this, you will need to complete a handful of pre-work assignments which will form the basis for in-class activities.

- (1) Purpose statement, market analysis, and competitive analysis (due before first class): We’re going to tear these apart. Come prepared.
- (2) Preliminary business model
- (3) Testing history and plan

Foundational Analysis (15%) (3-5 pages, single spaced text + data appendixes)

For the first assignment, you need to either convince me (and yourself) that your venture is actually worth pursuing, or detail what needs to happen before you can make this determination. To this end, you should discuss:

- (1) Your value proposition, and why you want to pursue this opportunity (*i.e., why you care about your idea*)
- (2) Your beachhead market, and market validation (*i.e., evidence that others care about your idea*)
- (3) Evidence that your idea can be a business (*i.e., market size, competitive advantage, and unit economics*)
- (4) Whether or not your idea is worth pursuing based on current evidence (*i.e., are you ready to progress to the next stage of development, or do you need to pivot, gather more data, etc.?*)

Testing and Learning Report (15%) (3-5 pages, single-spaced text+ data appendixes)

This assignment asks you to report on two weeks of dedicated research and hypothesis testing. I want to know what assumptions you tested, how you tested each, why you chose the approach you did, what you learned, and how the venture has evolved as a result.

Final Venture Checklist (30%) (5-7 pages, single spaced text + data appendixes)

The last assignment asks you to build on the first two assignments and give an honest assessment of where your venture is at, and what should be prioritized going forward (*i.e., what you will need to work on after this class*). My assessment will be based on how much work you've put in, and not on how close your venture is to being market-ready (*e.g., if you're mired in uncertainty—or have decided to abandon the venture—you can still get a top grade*).

The checklist will cover areas related to everything we have discussed in class (and a few things from MGMT 8010):

- (1) Founding team and co-founder agreement
- (2) Incorporation status, and entity choice
- (3) Problem and solution validation
- (4) Business model
- (5) Key assumptions, validation tests, and evidence
- (6) Resource needs, potential (or secured) providers, and acquisition strategies
- (7) An analysis of what's next (*i.e., are you going to continue? Why, why not?*)

Class Participation (25%)

Class participation will be evaluated based on:

- (1) Contributions to in-class discussions
- (2) Engagement outside of class (e.g., emailed questions, Zoom chats (*by appointment*))
- (3) Participation in in-class activities and help provided to other teams in the class
- (4) Performance in the end of class pitch competition

III. COURSE OUTLINE AT A GLANCE

Session		Topic	Deliverables
Nu.	Date		
0		<p>UG Prep Session</p> <p>During the MBA Opportunity Week, UG students will meet to do an intensive stress-test on their venture ideas. We will focus on identifying weak spots to shore up before the class starts in earnest, and ensure that you are in the best position possible to succeed in the class.</p>	
1		<p>Solidifying the Foundations</p> <p>While your idea is going to evolve as you test and iterate on your way to launch, it is important to ensure that you’re building on strong fundamental foundations.</p> <p>You are expected to have done basic market-sizing, competitive analysis, and industry analyses before starting the course, and this class is designed to help you interrogate, stress-test, and solidify these pieces.</p> <p>SESSION STRUCTURE</p> <p>Lecture and discussion (90 min)</p> <ul style="list-style-type: none"> • <i>Purpose, passion, and entrepreneurial ambition</i> • <i>Co-founder agreements</i> • <i>Industry analysis (investment and exit trends)</i> <p>Guest speaker (60 min)</p> <ul style="list-style-type: none"> • <i>Avoiding vanity metrics, magical thinking, and other common mistakes</i> <p>Groupwork (30 min)</p> <ul style="list-style-type: none"> • <i>Working with another team, you will each critically analyze the foundation of each other’s ventures, highlighting areas that need further development.</i> 	<p>Pre-work submission:</p> <p>Purpose statement, Market analysis Competitive analysis</p>
2		<p>Business Model Development</p> <p>Building a venture requires a clear understanding of how your business will create and capture value. Not all models are created equal though. It is important to consider how your model relates to your cost structure, revenue drivers, and customer lifetime value.</p> <p>SESSION STRUCTURE</p>	<p>Deliverable:</p> <p>Foundational Analysis (15%)</p> <p>Pre-work submission:</p> <p>Preliminary business</p>

		<p>Lecture and discussion (60 min)</p> <ul style="list-style-type: none"> • <i>Business model refresher</i> • <i>Revenue models, ARR, and LTV</i> <p>Group work (60 min)</p> <ul style="list-style-type: none"> • <i>Working with another team, you will swap business models, and develop an innovated version of the other's model.</i> <p>Business model innovation competition (60 min)</p> <p>Each team will pitch their new and improved version of the other team's model, focusing on how their suggestions will reduce costs, increase revenues, or (ideally) both. The class will vote in real time and there will be prizes for the winners!</p>	<p>model</p>
<p>3</p>		<p>Validating the model</p> <p>Testing and iteration are central to venture development process. This session asks you to revisit the interviews and MVP tests that you have already conducted for your venture and reflect on what worked well and what did not.</p> <p>We will also do a refresher on customer interviews vs. MVP tests, and common mistakes that founders make during their early testing.</p> <p>SESSION STRUCTURE</p> <p>Lecture and discussion (60 min)</p> <ul style="list-style-type: none"> • <i>Lean entrepreneurship (801 review material)</i> • <i>MVP tests and their uses</i> • <i>The uses (and misuses) of different testing approaches</i> <p>Guest Speaker (60 min): <i>How I tested my model</i></p> <p>Group Presentations and Feedback (60 min)</p> <p>Half of the teams in class will present their testing approach to a successful founder who will also share their own experiences with venture development.</p>	<p>Pre-work submission: Testing history and preliminary plan</p>
<p>4</p>		<p>Fundraising</p> <p>SESSION STRUCTURE</p> <p>Lecture and discussion (60 min)</p> <ul style="list-style-type: none"> • <i>Determining the right funding approach</i> • <i>Finding and talking to the right VCs</i> • <i>Impact investors vs. traditional VCs</i> • <i>Raising money as a female or minority founder</i> 	<p>Mini-Deliverable: Testing results 1</p>

		<ul style="list-style-type: none"> • <i>Understanding pre- and post-money SAFEs</i> • <i>Setting up your data-room</i> <p>Guest speaker (60 min): Common fundraising mistakes</p> <ul style="list-style-type: none"> • <i>The perils of raising too much vs. too little</i> • <i>Negotiating caps and valuation</i> • <i>Understanding which data points matter</i> <p>Group Presentations and Feedback (60 min) Half of the teams in class (i.e., those that didn't present in the previous week) will present their testing approach to a successful founder who will also share their own experiences with venture development and fundraising.</p>	
5		<p>Formalization and Governance</p> <p>Before you start fundraising—and certainly before you have any potential legal liability—you need to formalize your venture. This class will discuss different incorporation options, their legal and tax implications, as well as the advantages and disadvantages of incorporating as a Benefit Corporation.</p> <p>SESSION STRUCTURE</p> <p>Lecture and discussion (60 min)</p> <ul style="list-style-type: none"> • <i>When to incorporate, and why</i> • <i>Picking the organizational form that's right for you</i> • <i>Basic cap table and option pool considerations</i> <p>Guest speaker (60 min): Legal issues</p> <ul style="list-style-type: none"> • <i>Tax implications of different forms</i> • <i>Picking the right jurisdiction</i> • <i>Preparing to be "investment ready"</i> <p>Guest speaker (60 min): The B-Corp Movement</p> <ul style="list-style-type: none"> • <i>The process, advantages, and disadvantages of incorporating as a B-Corp</i> • <i>How and where to incorporate as a B-Corp</i> 	<p>Deliverable: Testing and Learning Report (15%)</p>
6		<p>Pitch Competition</p> <p>The pitch competition will comprise two rounds. We will start with everyone giving their pitch. The four most highly-rated ventures will go through to the finals to pitch a panel of active investors who will pick our winner.</p> <p>Judges (TBD)</p>	<p>Deliverable: Venture Checklist (30%)</p>

--	--	--	--

IV. READING LIST

Session 1: Solidifying the Foundations

Founders' agreements

Founders' agreement framework – Penn Law ([link on Canvas](#))

“The first deal: The division of founder equity in new ventures.” By T. Hellmann, N. Wasserman, *Management Science*, 2017.

Market analysis reports:

“Course Library Resource Guide” ([link on Canvas... left side navigation bar](#))

Passion and purpose:

“Blitzscaling: The good, the bad, and the ugly” by D. Kuratko et al., *Harvard Business Review*, 2020.

“The nature and experience of entrepreneurial passion.” by M. Cardon et al., *Academy of management Review*, 2009.

“What impact? A framework for measuring the scale and scope of social performance.” by A. Ebrahim & V. Rangan. *California Management Review*, 2014.

Sessions 2: Business Model Development

Building your business model:

“Business model generation: a handbook for visionaries, game changers, and challengers.” by A. Osterwalder & Y. Pigneur. John Wiley & Sons, 2010. (pgs. 1-50) – ([link on Canvas](#))

Types of business models:

“Business models and value.” by C. Baden-Fuller, et al., *Academy of Management Proceedings*, 2017.

“Business models and modelling business models.” by C. Baden-Fuller & V. Mangematin. *Advances in Strategic Management*, 2015.

Business model innovation:

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

“The hard truth about business model innovation.” by C. Christensen, et al., *MIT Sloan Management Review*, 2016.

Session 3: Validating your model

Strategy and learning

“Strategy for Start-ups” by, J. Gans, E. Scott, and S. Stern. *Harvard Business Review*, 2018

“Talking to humans.” by G. Constable

“Hypothesis driven entrepreneurship: The lean startup” by T. Eisenmann, et al., HBS Note 9812-095.

The value of hypothesis testing:

"A scientific approach to entrepreneurial decision making: Evidence from a randomized control trial." by A. Camuffo et al., *Management Science*, 66, 2020.

Failure and Resilience:

"Learning from entrepreneurial failure." by D. Shepherd et al. *Cambridge University Press*, 2016.

"Beyond hubris: How highly confident entrepreneurs rebound to venture again." by M. Hayward et al., *Journal of Business venturing*, 25, 2010.

Session 4: Fundraising

Fundraising:

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

"How to Pitch a Brilliant Idea" by K. Elsbach, *Harvard Business Review*, September 2003.

"How Venture Capitalists Make Decisions" by P. Gompers et al., *Harvard Business Review*, 2021.

Founder features and fundraising:

"Can joy buy you money? The impact of the strength, duration, and phases of an entrepreneur's peak displayed joy on funding performance." by L. Jiang et al., *Academy of Management Journal*, 2019.

"We ask men to win and women not to lose: Closing the gender gap in startup funding." by D. Kanze et al., *Academy of Management Journal*, 2018.

"Investors prefer entrepreneurial ventures pitched by attractive men." by A. Brooks et al., *Proceedings of the National Academy of Sciences*, 2014.

Session 5: Formalizing your venture

Entity choice – Penn Law

"Why Companies Are Becoming B Corporations" by Kim, S., et al., *Harvard Business Review*, 2016.

"Corporate Governance 2.0: We need to return to first principles rather than meander toward best practices." by Guhan Subramanian, *Harvard Business Review*, 2015.