Course Syllabus
MGT 743- Business Plan Development
Spring 2015

Instructor: Mujtaba Ahsan
Office: SSE 3300
e-mail: mahsan@mail.sdsu.edu
Office Phone: 619-594-3260

Office Hours: Tuesday 3:00 p.m. – 3:50 p.m. and by appointment

“Twenty years from now you will be more disappointed by the things that you didn’t do than by the ones you did do. So throw off the bowlines. Sail away from the safe harbor. Catch the trade winds in your sails. Explore. Dream. Discover.”
- Mark Twain

Course Materials:

Course Description

This course will develop your skills to identify the financial opportunity of a venture, analyze a company's resources and abilities, understand and develop exit strategy as well as how to suitably fund each stage of the business. In order to develop a proper business plan you must first undertake both primary research (surveys, interviews) and secondary research (library databases, internet resources) to better understand the opportunity and develop business ideas that are both viable and impactful. You will adopt the lean model methodology and learn how to use a business model canvas to brainstorm, iterate, and develop an idea that is both viable and impactful. This means you will have to get your hands dirty talking to customers, partners, suppliers, manufactures, competitors, as you encounter the chaos and uncertainty of how a startup actually works.

Student Learning Objectives of this Course

1. Identify, and appropriately communicate the financial opportunity for an entrepreneurial venture of any stage.
2. Articulate technological, operational and market risks with appropriate mitigation strategies.
3. Learn to iterate fast and validate the assumptions of the business model.
4. Apply various frameworks to analyze a company's resources and abilities within
each function of the organization to seize available market opportunity and take advantage of emerging market trends.

5. Construct an optimal path that optimally achieves milestones and anticipated investment exit strategy.

6. Use various forms of early stage financing to appropriately fund strategic plan outlined in the business plan.

<table>
<thead>
<tr>
<th>Grading Assignments</th>
<th>Type</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>One Minute Pitch + Individual Bus. Report</td>
<td>I</td>
<td>2.5%</td>
</tr>
<tr>
<td>Group Bus. Idea Report</td>
<td>G</td>
<td>2.5%</td>
</tr>
<tr>
<td>Exam 1</td>
<td>I</td>
<td>12.5%</td>
</tr>
<tr>
<td>Business Model Canvas (First Report)</td>
<td>G</td>
<td>5%</td>
</tr>
<tr>
<td>Discussion Reports</td>
<td>I</td>
<td>10%</td>
</tr>
<tr>
<td>Business Model Canvas (Second Report)</td>
<td>I</td>
<td>5%</td>
</tr>
<tr>
<td>Business Model Canvas (Final Report)</td>
<td>G</td>
<td>7.5%</td>
</tr>
<tr>
<td>Entrepreneurship Event Report</td>
<td>I</td>
<td>5%</td>
</tr>
<tr>
<td>Business Plan (Draft)</td>
<td>G</td>
<td>5%</td>
</tr>
<tr>
<td>Business Plan Final</td>
<td>G</td>
<td>10%</td>
</tr>
<tr>
<td>Presentation*</td>
<td>I+G</td>
<td>10%</td>
</tr>
<tr>
<td>Participation</td>
<td>I</td>
<td>10%</td>
</tr>
<tr>
<td>Exam 2</td>
<td>I</td>
<td>15%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td>100%</td>
</tr>
</tbody>
</table>

(I = Individual, G = Group)

* Final Presentation will be evaluated both on individual and group performance, each is worth 5%.

**NOTE:** No extra credit assignment will be given. Your grade at the end of this course is the grade that you will earn in this course.
Grade | Percent
--- | ---
A | 94-100
A- | 90-93
B+ | 87-89
B | 84-86
B- | 80-83
C+ | 77-79
C | 74-76
C- | 70-73
D+ | 67-69
D | 65-66
D- | 61-64
F | 0-60

**TENTATIVE SCHEDULE**

*I RESERVE THE RIGHT TO MODIFY OR CHANGE THIS SCHEDULE*

<table>
<thead>
<tr>
<th>Date</th>
<th>Assignments</th>
</tr>
</thead>
</table>
| 1/27 | Introduction  
Evaluating Opportunities |
| 2/3  | Ideation  
**Individual Business Idea Report Due**  
**Readings 1:**  
a. The Questions Every Entrepreneur Must Answer by Amar Bhide, HBR  
b. The Innovators DNA by Jeffrey H. Dyer, Hal B. Gregersen, and Clayton M. Christensen, HBR  
c. The Top Ten Lies of Entrepreneurs, Guy Kawasaki, HBR |
| 2/10 | Identifying Opportunity and Assessing Feasibility (Business Model Canvas)  
Groups Formed  
**Readings 2:**  
a. Sparking Creativity in Teams by Marla Capozzi, Renée Dye, and Amy Howe, McKinsey Quarterly  
b. Seven Steps to Better Brainstorming by Kevin Coyne & Shawn Coyne, McKinsey Quarterly  
c. Finding the Right Job For Your Product by Clayton Christensen, Scott Anthony, Gerald Berstell and Denise Nitterhouse, MIT Sloan Review |
| 2/17 | Understanding the Art of Creating and Capturing Value  
**Group Bus. Idea Report Due** |
Readings 3:
- Perils of Bad Strategy by Richard Rumelt, McKinsey Quarterly
- Have you Tested Your Strategy Lately? by Chris Bradley, Martin Hirt, and Sven Smit, McKinsey Quarterly
- Why Business Models Matter by Joan Magretta, HBR
- Creating Value Through Business Model Innovation by Raphael Amit and Christoph Zott, MIT Sloan Review

2/24
Discovering Customers and Understanding Their Needs
Readings 4:
- Perceptual Mapping (1 and 2)
- What Makes Customers Tick? Lewis Carbone, HBR
- What People Want (and How to Predict It) by Thomas Davenport and Jeanne Harris, MIT Sloan Review

3/3
Idea Validation - Learning from Feedback
BMC First Report Due
Readings 5:
- Pivot (Chapter 8-The Lean Startup by Eric Reis)
- Design Thinking by Tim Brown, HBR

3/10
Nuts and Bolts of Business Plan
Readings 6:
- How to Write a Great Business Plan by William Sahlman, HBR
- Selection Bias and the Perils of Benchmarking by Jerker Denrell, HBR
- Even Swaps by John Hammond, Ralph Keeney, and Howard Raiffa, HBR

3/17
**EXAM 1**
Bootstrapping Your Business

3/24
Importance of Numbers – Financials, Financials, and Financials!
BMC Second Report Due
Readings 7:
- Networked Incubators by Morten Hansen, Henry Chesbrough, Nitin Nohria, and Donald Sull, HBR
- The Use and Abuse of Scenarios by Charles Roxburgh, McKinsey Quarterly
- The Parable of Red Pens and Blue Pens by Benjamin Hermalin

3/31
**SPRING BREAK**
4/7 Creative Ways of Accessing Capital
Mid-Term Business Plan Report Due (Feasibility, Industry Analysis, Market Analysis)
Readings 8:
  a. How Venture Capital Works by Bob Zider, HBR
  b. The Founder's Dilemma by Noam Wasserman, HBR
  c. A Stealthier Way to Raise Money by David Champion, HBR
  d. Top 10 Crowdfunding Sites For Fundraising by Chance Barnett
     http://www.forbes.com/sites/chancebarnett/2013/05/08/top-10-crowdfunding-sites-for-fundraising/

4/14 Reaching Your Customers
Readings 9:
  a. Marketing Myopia by Theodore Levitt
  b. Mind Your Pricing Cues by Eric Anderson and Duncan Simester
  c. Customer Value Propositions in Business Markets by James Anderson, James Narus, and Wouter van Rossum
  d. Price Smarter on the Net by Walter Baker, Mike Marn, and Craig Zawada, HBR
  e. 30 Tips for Using Social Media in Your Business by April Joyner
     http://www.inc.com/articles/2010/01/30-tips-for-using-social-media.html

4/21 Where Business Ideas Die
Readings 10:
  a. Managing in the Whitespace by Mark Maletz and Nitin Nohria, HBR
  b. How to Pitch a Brilliant Idea by Kimberly Elsbach, HBR
  c. Five Reasons 8 Out of 10 Businesses Fail by Eric Wagner

4/28 What’s Next? Managing a Growing Venture
Entrepreneurship Event Report Due
Final Business Model Canvas Report Due
Readings 11:
  a. Why Entrepreneurs Don’t Scale by John Hamm, HBR
  b. Managing Hypergrowth by Alexander Izosimov, HBR
  Business Plan Presentations

5/5 Business Plan Presentations
Final Business Plan Report Due

5/12 FINAL EXAM (SEE SDSU FINAL EXAM SCHEDULE)
ASSIGNMENTS

All assignments will be posted on Blackboard. All assignments must be typed (12 Times Roman font, 1.5 spacing) and adhere to the requirements specified in the assignment document. The assignments must be properly stapled, labeled (including your name) and submitted on the date specified in the syllabus. No late assignments or hand written reports will be accepted.

Note: It is your responsibility to submit your assignments to me on or before your due date. If you have an extreme emergency situation, email to inform me about your situation before the due date.

ATTENDANCE/PARTICIPATION

You must regularly attend and participate in the class discussion to do well in this course. Failure to attend class and/or lack of participation will negatively affect your grade. Participation grades are based on attendance AND participation during class discussions. Students who attended all the classes, but do not make any positive contribution during class discussion will get a participation grade of 50%.

Note: Students who frequently miss classes will lose significant points. If you have a valid reason for missing class (e.g., medical reasons, family emergency, jury duty etc.) you must present proper documentation.

ENTREPRENEURSHIP EVENT REPORT

To gain a better understanding of the entrepreneurial ecosystem, it is important for you to attend or participate in local entrepreneurship events. For this class assignment, you are required to attend at least two entrepreneurship events or be a participant in one entrepreneurship event. You must submit a short report (4 pages) summarizing your experiences along with proof of your attendance or participation (e.g., business cards collected at the events, program itinerary listing you as a participant etc.). You can look at upcoming entrepreneurship events on campus at:

http://lavincenter.sdsu.edu/programs/
http://newscenter.sdsu.edu/gra/zahncenter/home.aspx?
http://entrepreneur.sdsu.edu/

READINGS

You must read the assigned readings and be prepared to discuss them in class. I might also assign other relevant readings that I come across during the course of this semester. I will alert you about these readings via email.
EXAMS

The exams will be comprised of multiple choice and true-or-false questions based on the class readings and discussion. Please check SDSU website for the final exam schedule. A make-up for an exam will be given only in case of a documented extreme emergency circumstance.

BUSINESS MODEL CANVAS (BMC) REPORT

You and your team will use the business model canvas template available on: https://canvanizer.com/choose/business-model-canvases to develop your business model. It is required that each team validates the hypothesis of their business model canvas a minimum of 3 times (that is, 3 validation cycles) before the final business model presentation (see course schedule for due dates). Each component of the business model canvas must be validated appropriately with individuals (minimum of 60 responses in each validation cycle) and/or businesses (minimum of 10 responses in each validation cycle). The team should keep track of the changes they make after each validation and their justification for making the changes. Proof of your validations (surveys, business contact information etc.) must be submitted with your first draft and final report.

BUSINESS PLAN REPORT

Your team is required to submit a professional business summary to me at the end of this semester. This report should not exceed 15 pages excluding references, financial projections tables, and appendices). Before you prepare your final business plan summary, you will have to do significant work on your business model canvas. That is, your business model canvas will feed your business plan report. You also need to spend significant time preparing the financial projections for your business. Additional details will be provided in class and via emails well in advance of the due date.

The general scale for evaluating business plans is: ‘A’ grade means the plan invites investment in current form or with very minor changes, (i.e. “Investors will sign the check now!”). ‘F’ grade indicates the plan in its current form is not worthy of consideration (i.e. “It is a waste of my time.”)

DISCUSSION REPORTS

During the course of this semester you must complete four discussion reports (each limited to 3-4 pages, 4 reports * 2.5 % = 10%) based on the weekly listed readings (see course schedule on pp.3-5). You must use at least 2 articles from the weekly assigned readings to write your discussion reports. In these reports you must summarize the articles and conclude the reports with how they could be applicable to you and other entrepreneurs. NOTE: You must submit your discussion reports (hard-copy) before we discuss the assigned readings in-class each week. Strictly no discussion reports will be
accepted late.

PRESENTATION

You and your team members will make a presentation of your business plan to the class. You will have approximately 15 minutes to sell your business idea to the listeners. As time is limited you are encouraged to use it efficiently and focus on high profile items, such as market size, sales, profits, unique aspects of your business model/product/service etc. Additional details will be provided in class well in advance of the presentation date.

Your presentation would be evaluated on the basis of: Quality of presentation (i.e., presentation skills - verbal and non-verbal, do you display understanding on the business fundamentals, is your presentation engaging); Quality of visual materials (i.e., are the presentation slides prepared in a professional manner, appropriateness of content); Quality of response to questions (how you handle questions, does your response reflect your understanding of the questions and mastery of the business plan)

PEER EVALUATIONS

There will be peer evaluation for all group assignments. 50% of the grade for group assignment is based on peer evaluation.

TEAMS

A significant portion of this class involves team work. This means that you should display a willingness to work well with others and be flexible to attend all team meetings. You are highly encouraged to have team meeting each week and during some weeks you might have to meet multiple times. You will need to work on your group assignment each week regularly to complete them before the due date. The quality of the work your team submits and the peer evaluation will determine the grade you earn on the assignments.

Do note that failure to work well with your team members can impact your grade significantly. **Your team can vote you out of the team (by 3/10) if you fail to contribute, students who are voted out must complete all the group assignments individually.** If you wish to expel a team member, inform me in a timely manner first. That is, do not vote out team member before you meet with me in person and have detailed discussions. As much as possible you should try to resolve team issues within yourself first before approaching me. Remember that in the “real world” you will have to work with others in teams, it is an important skill to possess.

GUEST LECTURES
I will periodically try to invite guest lectures to share their experience with you in class. I will inform you about their attendance during a prior class or through email.

**STUDENTS WITH DISABILITIES**

If you are a student with a disability and believe you will need accommodations for this class, it is your responsibility to contact Student Disability Services at (619) 594-6473. To avoid any delay in the receipt of your accommodations, you should contact Student Disability Services as soon as possible. Please note that accommodations are not retroactive, and that accommodations based upon disability cannot be provided until you have presented your instructor with an accommodation letter from Student Disability Services.

ALL STUDENTS ARE EXPECTED TO COMPLY WITH THE STUDENT CODE OF CONDUCT SPECIFIED BY SAN DIEGO STATE UNIVERSITY
For Details Visit: [http://csrr.sdsu.edu/conduct1.html](http://csrr.sdsu.edu/conduct1.html)