

SEATTLE UNIVERSITY

MGMT 4790: Business Plan Development

Term:	Spring 2021
Class Schedule:	Section 1: Tuesday and Thursday 10:15am –12:20pm Section 2: Asynchronous (does not meet)
Class Room:	Online via Canvas/Zoom
Instructor:	Amelia Marckworth (marckwor@seattleu.edu)
Office Hours:	By appointment: www.calendly.com/marckworth

COURSE OVERVIEW

- "Any business plan won't survive its first encounter with reality. The reality will always be different. It will never be the plan." ~ Jeff Bezos

Creating new businesses, capturing new markets, or launching new products often compels entrepreneurs to take a journey into the unknown. Planning, although essential, is not sufficient in these entrepreneurial settings as it is impossible to plan reliably when the future is uncertain. Statistics show that most business plans do not deliver. Often too much planning deters entrepreneurs from discovering alternative real opportunities when the original plan does not work.

However, a concise, well-articulated business plan enables entrepreneurs to identify areas of uncertainty and effectively communicate their business opportunities to potential investors and other stakeholders. In this course, the entrepreneurial ideas (or ongoing businesses in some cases) serve as the starting point. Students will develop business plans through discovering and refining business models that evolve around entrepreneurial ideas. The emphasis is on developing business model strategies and roadmaps to execute the business models and facilitating rapid iterations and information exchanges between entrepreneurs and the stakeholders. Students will work on mini-plans and pitches instead of traditional, detailed, lengthy business plans. The main learning objectives are for students to:

1. Form an entrepreneurial founding team and develop leadership skills needed to succeed
2. Understand building blocks of entrepreneurial business model
3. Formulate business strategy appropriate for that particular business
4. Understand enough finance to put together income and cash flow projections
5. Learn how to write and pitch a business plan

Required Textbooks:

- Heidi M. Neck, Christopher P. Neck, and Emma L. Murray. 2020. Entrepreneurship: The Practice and Mindset. Sage Publications, 2nd (**Please Note:** The textbook publisher provides several free interactive resources, available at: <https://edge.sagepub.com/neckentrepreneurship2e>)
- Alexander Osterwalder and Yves Pigneur. 2010. Business Model Generation: A Handbook for Visionaries, Game Changers, and Challengers.
- Alexander Osterwalder and Yves Pigneur. 2014. Value Proposition Design: How to Create Products and Services Customers Want
- Alexander Osterwalder and David J. Bland. 2019. Testing Business Ideas: A Field Guide for Rapid Experimentation

CLASS FORMAT

Many learning materials will be delivered outside of class in the forms of readings, videos, and homework assignments. Students are expected to come to a class prepared to ask questions about the learning topic, engage in discussions of the topic, and apply what they are learning to develop specific business models using the Business Model Canvas and craft business plans through working on a series of exercises in and out of classes.

Classroom activities will mostly be organized around teams. Students will form teams and work with their teammates on their business ideas/opportunities that have been approved by the instructor. Student teams will be asked to share their learning and progress through peer review assignments and class discussions.

ASSIGNMENTS

Class assignments consist of individual and group submissions that will involve review and comments from the instructor and peers. Instructions for each assignment will be posted along with the assignment questions and details. All assignments must be submitted to Canvas before the due date except when noted otherwise. Unexcused late work will not be accepted.

All assignments are to be typed in 12pt font (or smaller), single-spaced, Word or PDF format. Students are responsible for ensuring that an assignment has been posted correctly to Canvas and on time. DO print your name and assignment number/title clearly on each document for credit and use a professional layout, spell-checked, including page numbers. Papers that are not in a professional format will not get full credit.

Grade Point Allocation

Individual Work

Assignment/Activity	Percent of grade
1. Attendance & In-Class Participation	13%
2. Online Participation e.g. Canvas	<u>10%</u>
Total Participation Grade	23%
3. Idea Submission	2%
4. Cap Table	5%
5. Pitch - Personal	5%
6. Team Evaluation/Feedback	<u>5%</u>
Total Individual Assignment Grade	17%

Total Individual Grade **40%**

Group Work: Business Plan Group Project:

Activity	Percent of grade
○ Business Model Canvas	5%
○ Strategy and Marketing Plan	5%
○ Validate Model Canvas	10%
○ Valuation Exercise	5%
○ Written Report	20%
○ Pitch Deck	15%

Total Team Project Grade **60%**

Total Grade **100%**

Approximate Grade Scale

A = 95-100, A- = 90-94, B+ = 87-89, B = 83-86, B- = 80-82, C+ = 77-79, C = 73-76, C- = 70-72, D=Below 70. The instructor will curve the grades to determine final grades.

Deliverables

Timely and full class attendance (in person and online) is required. Your contribution is an important part of the learning experience gained by each of your peers. Absence means you are taking away from the class dynamic and evolving culture of the class. Unexcused absences, leaving early, or arriving late all negatively impact your attendance AND your participation grade.

Regularly, there will be exercises both in-class and on Canvas that are designed to reinforce the material under discussion. “Proactive” participation in each class and Canvas discussion is expected, which means offering your thoughtful opinions, questions, feedback, ideas, etc., regularly, beyond the instructor’s directly requesting it from you as part of a class assignment or exercise. Students are expected to check Canvas regularly for new content, discussion forums, and exercises, and respond by each assignment’s deadline.

You will be noticeable by your absence/lateness/leaving early and if you do not participate actively in the class or Canvas discussions and exercises. However, I encourage thoughtful participation and would rather see quality over quantity. Research indicates students learn from each other, as well as from the instructor. If you are not in class and/or do not participate in Canvas, we cannot learn fully from you – and you cannot learn fully from us.

1. Idea Submission (2%)

Each student will submit one idea for a potential group project. The submission will include the following: Target audience, pain/gain to be addressed, the student's interest/reason for selecting this area ("Why"), potential solutions/value proposition. The student will also share his/her strengths and areas of expertise as a potential team member.

2. Cap Table (5%)

The cap table will be submitted twice. The first time each student will submit a cap table with four co-founders, specifying their initial split. The second cap table will be submitted as a group with projected angel round, and two VC rounds of funding (series A and series B).

3. Initial Osterwalder Business Model Canvas (5%)

One per team. Submit your initial business model. A modified, fully validated one will be due later.

Validated Osterwalder Business Model Canvas (10%)

4. Validations will be presented in class.

5. Strategy and Marketing Plan (5%)

As will be discussed in class, your strategy and marketing will depend upon your assessment of the market, the industry and your product/service positioning. The deliverable will be a two-page report describing your analysis and your decision regarding the strategic direction of your start-up.

6. Valuation Exercise (5%)

The exit is an important consideration in the planning and funding of your start-up. You will do a hypothetical exercise in valuing your company five years in the future.

7. Business Plan – Final Report (20%)

This is the biggest component of your grade where you will put together a business plan based on the various components you have been working on through the quarter. It should include an executive summary, your team (explain why it is a strong team), the cap table, the market opportunity, your validated business model (summary of the team's findings), your go-to market and positioning strategy, your sales and marketing strategy, your 5-year income and cash flow projections (including start-up expenses and capital expenditures), how much money will be needed and when, how do you intend to raise money and why and finally what exit do you realistically foresee.

8. The Pitch (15% group, 5% individual)

This will be your pitch to investors covering similar ground as your report but in a PowerPoint format. Your group will present that in class, hopefully we will be able to find "judges", entrepreneurs and investors to join us on that day (or days).

9. Team evaluation (5%)

Each student will submit an online form evaluating their team-members' relative contributions to the team deliverables. The feedback will be normalized (so if you give a highest possible score to all team members, all scores will be reduced accordingly. Details will be provided in class).

Your optional feedback will also be solicited for observations, lessons learned, how they might apply learnings in their careers/the future, what worked well/what could have worked better.

CLASS COMMUNICATION

Canvas Discussion is the main means of out-of-class communication. Students are strongly encouraged to post their questions about the learning topics or assignments on the discussion board. A student may also respond to other students' posts. These posts should be short and concise. The instructor will check the discussions and post her responses if necessary, around 9:00pm on weekdays.

OTHER CONSIDERATIONS

Disability

If you have, or think you may have, a disability (including an 'invisible disability' such as a learning disability, a chronic health problem, or a mental health condition) that interferes with your performance as a student in this class, you are encouraged to arrange support services and/or accommodations through Disabilities Services staff in the Learning Center, Loyola 100, (206) 296-5740. Disability-based adjustments to course expectations can be arranged only through this process.

Student Services

Seattle University provides a wide variety of services to students. The information can be found at the website: <https://www.seattleu.edu/sas/>

Recording of Classroom activities

In this course, students may not make any audio or video recordings of course activities without written permission from the instructor. The students who have written permissions from the instructor to record are not permitted to redistribute any audio or video recordings of statements or comments from the course to individuals who are enrolled in this course.

Personal technology

A computer or mobile device is required for some class activities. However, these personal devices are meant to enhance classroom learning environment, not to distract from learning. Since reading or typing on a personal device can be distracting and rude when others are talking, students should not use these devices during lectures or class discussions, unless being told otherwise by the instructor. Failure to observe this basic rule of courtesy will result in losing the class participation grade for that period. If you need to handle a personal emergency or urgent situation during class, in person, or by phone, text, email, etc., please excuse yourself from the class and return when you are complete.

Academic Honesty

Seattle University is committed to the principle that academic honesty and integrity are important values in the educational process. Academic dishonesty in any form is a serious offense against the academic community. Acts of academic dishonesty will be addressed according to the Seattle University Academic Honesty Policy. The policy can be found at the address below: http://www.seattleu.edu/regis/Policies/Policy_2004-01.htm

If you are not sure whether a particular action is acceptable according to the Academic Honesty Policy, you should check with your professor before engaging in it. There is a zero tolerance policy regarding any form of abusive behavior or comments either toward fellow students or the professor.