### Fall Semester 2020: New Venture Creation

### Introduction to Entrepreneurship: Turning vision into reality

Entrepreneurs have been starting new ventures for generations. If in the past success was more a function of tenacity and a measure of the idea underpinning the business, in today’s hyper-competitive, market-focused and highly competent world, errors can quickly doom the best of companies. A systematic, entrepreneurial orientation is the common denominator among successful ventures in this new economy.

Entrepreneurship is typically approached as a way of thinking and acting, as an attitude or behavior. Our emphasis will be on entrepreneurship as a manageable process that can be applied in almost any organizational setting. We will explore the following factors involved in new venture creation and growth including the business, technological, financial, legal, human, and ethical considerations in order to foster innovation and new business formation in a variety of settings. Additionally, we will provide the background and tools necessary for a solid foundation in terms of the role of entrepreneurs and entrepreneurship needed to function effectively in 21st Century global economy.

Creating new technologies and commercializing them into new products and services is a key competitive advantage of Israel. This course will combine both an academic and practical view of the challenges facing entrepreneurs. We will focus on the key issues and the basic questions to be addressed in the formal venture development process: the creation, evaluation, development and launch of a new business or venture.

**The Objectives of the Course will be to**:

* Understand the (technology) venture creation process
* Impart an entrepreneurial mindset and tools that participants can use throughout their career
* Gain hands-on experience at venture creation and fund raising
* Learn by doing—teams of students will be required to create and pitch their new venture at the end of course.

**Reading Material:**

1, Selected Weekly Readings compiled by Saul Orbach, as per Moodle

**Highly Recommended Readings:**

2, Text book: Thomas H. Byers, Richard C. Dorf, and Andrew J. Nelson, Fourth Edition, *Technology Ventures, From Idea to Enterprise*, Fourth Edition, McGraw Hill

3, Startup Valuation

4, Cap Tables

5, Term Sheets

Downloadable the pamphlets together with companion files at [www.1x1Media.com](http://www.1x1Media.com) (follow the link at the bottom of each book page to your preferred seller site $3.99 each in e-book format).

**Final Term Project:**

The Final term project will include two parts and be the culmination of the semester’s learning objectives. The students will be divided into teams of 4 and work on the development of a new venture throughout the semester. Each team will be required to submit an original business plan (not more than 10 pages), an executive summary (not more than 2 pages), and an investor presentation (not more than 12 slides) by the end of the semester.

On the ‘final’ day, each team will pitch their startup to a panel of outside entrepreneurs and investors who will judge the performance and give guidance on each team’s project grades.

**Case Study:**

We will examine the challenges of early-stage fundraising, plus delve into the terms, offerings, and operations of startup accelerators.

This case helps students understand the journey founders take from the launch of a business idea to their first significant financing decision. It familiarizes you with the concept of structured experimentation and typical milestones founders seek to achieve in their first few years of operation.

Read, analyze and respond to the questions for the case. Remember, your answer is less important than the rationale you developed to reach that answer. Put emphasis and focus on the rationale!

Length: Up to 2 pages (Not including cover sheet or other supporting documents)

Team work

Submission date: Session 5

**Quizzes:** There will be 3 quizzes based on the weekly reading assignment or previous classroom discussion. Each quiz will be 5 minutes long, and will be administered at the beginning of sessions 2, 4, and 6.

**Attendance/Participation**: Each person brings a unique set of experiences, a unique perspective and knowledge to the classroom, and I would like all class participants to tap into this diverse pool of resources and benefit from it. Therefore, we will have in-class discussions. Constructive contribution to the class discussions and active listening are important elements of this course. It is therefore essential that you be fully prepared to participate actively in class by reading the assigned material prior to the class session.

Effective participation includes: (1) providing insightful questions and comments on concepts from lectures and readings; (2) sharing your experience or point of view with the class; (3) building on points raised by others; (4) clarifying issues; and (5) relating ongoing topics to previous class discussions. Please keep in mind that I will base your score on the quality of your comments and not their quantity.

Critically Important: if for whatever reason you don’t understand something that’s being said or discussed, PLEASE ask! If you still don’t understand at the end of class, or need further clarification, PLEASE ASK ME! Don’t let the opportunity to learn or understand the material pass you by!!

**Course Grading:**

Final Business Plan, Exec Sum and PPT 35%

Final Venture Presentation 25%

Case Studies 15%

Weekly assignments and Quizzes 15%

Classroom Participation 10%

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| **Session** | **Date - 2020** | **Topic / Questions / Activity** | **Content** | **Assignments / Readings** | **Speaker** |
| 1 | **22 Oct** | **Introduction**  **New Venture Opportunity**  **Introducing Social Ventures**  **Term Project: Teams Formation** | Entrepreneurs and Entrepreneurship  Role of Venture Creation  Opportunity Identification  Overview  Introducing Social Ventures  SROI and Measuring Impact  **Divide into teams and ideate** | Apply SV to your project?  One Minute Pitches | Saul Orbach  (Guest speakers: TBD) |
| 2 | **29 Oct** | **Customer Discovery**  **Market Size**  **Term Project** | Interviews  Surveys  Data Collection & Analysis  Customer Segmentation  Sizing Markets (TAM & SAM) | Preliminary Customer discovery Data  Customer Segmentation Table  Target segment rational  Customer archetypes  Customer Segmentation Table  Create Survey Questionnaire and do interviews  Describe your venture problem and solution in terms of your target customer | Saul Orbach |

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| 3 | **5 Nov** | **Intellectual Property**  **Business Model**  **Term Project** | Identifying your IP  Patents, trademarks, and copyrights  New Venture Success Factors  Product Market Fit  Business Model Design  Business Model Canvas | List your IP  Create an initial business canvas | Guest speaker: IP Lawyer  Saul Orbach |
| 4 | **12 Nov** | **Market Analysis / Attractiveness**  **Competitive Assessment**  **Strategy Development**  **Term Project** | Industry Analysis & Trends  Direct and Indirect Competitors  Competitive Advantage  Interview  Differentiation  Positioning  Marketing Strategy  Sales and Selling  Go-to-Market Planning  Half-way Pitch Sessions | Competitive analysis table/chart  SWOT  Competitive positioning  Competitive Landscape Chart  Develop Go to Market Plan and describe how you’ll ‘win the game’  Each Team - 5 Minute Pitch | Saul Orbach |

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| 5 | **19 Nov** | **Financial Planning**  ‘Structure follows Strategy’  **Building Teams**  **Teams: Splitting Equity**  **Term Project** | Profit Models & Assumptions  Income Statement Projections  Cash Flow  Capital Requirements  Core Team Selection  Key Partnerships  Organizational Culture  Practical guide and pitfalls to allocating founder and startup equity.  All about Options | Develop assumptions, income and cash flow statements  Team Building Exercise  Team Profile  Splitting Equity exercise  Team Description  Financial Assumptions  Equity split recommendation | Saul Orbach |
| 6 | **26 Nov** | **Business Plan, Executive Summary, Pitch Deck, Financial Projections**  **Funding Your Venture**  **Term Project** | How to write a business plan, executive summary  Elevator Pitch  Building a strong presentation  Bootstrapping, Angels,  Venture Capital, Crowdsourcing, Other sources  Term Sheets, Due Diligence  Funding stages, Cap Tables  Convertible Notes | Research various forms of investment capital and summarize pros and cons of each  How much money should a start-up raise?  Draft Executive Summary  Develop Need Slide |  |
| 7 | **3 Dec** | **Launch Readiness**  Term Project | Investor Engagement  Pre-launch checklist | Final deliverables including B-plan, Exec Sum and pitch deck  Pitch rehearsal |  |
| 8 | **10 Dec** | **Term Project: Final Pitch Event** | Each Team will do a 5 Minute Pitch to a panel of REAL investors, followed by Q&A by panel.  Panel to give feedback to each team at end. | Come prepared to dazzle!! | Guest Panel: 3-4 Investors |