

MISSISSIPPI STATE UNIVERSITY
DEPARTMENT OF MANAGEMENT & INFORMATION SYSTEMS

MGT 3323: ENTREPRENEURSHIP

Fall 2011, Section 03: Mondays 3:30 pm - 6:00 pm, McCool 225

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Office hours: I am usually here between 9am-5pm each day. However, you are advised to make an appointment to ensure I will be in my office when you want to meet.

Prerequisite: Microeconomics (EC) 2123.

COURSE DESCRIPTION

This course is designed to help you develop an understanding of entrepreneurship and the skills needed to launch a new venture or expand an existing enterprise. The course will emphasize the ingredients necessary for an effective feasibility analysis and business plan. To build the needed skills you will analyze cases and business plans, develop an idea for a business, prepare a feasibility study and a business plan, and present and defend your approach. Through this experience you will become better equipped to face the challenges of initiating a venture and effectively managing the development and growth of a new business.

COURSE OBJECTIVES

1. To prepare you to be an entrepreneur.
2. To provide you with an opportunity to assess your entrepreneurial interests and capabilities.
3. To increase your understanding of feasibility analyses and business plans.
4. To improve your oral communication and writing skills.
5. To improve your ability to work as a member of a team.

COURSE MATERIAL

1. Barringer, B.R. (2009). *Preparing effective business plans*, Upper Saddle River, NJ: Pearson (bookstore).
2. Bennett Industries (handout).
3. The Roaring '20s Museum (handout).
4. Various other handouts.

Some materials (including this syllabus) can also be downloaded from my MISWEB website at:

<http://misweb.cbi.msstate.edu/~COBI/faculty/professor.shtml?jchrisman>

Please see instructions on how to enroll in MISWEB on page 7.

TEACHING METHODOLOGY

The teaching methodology of this course emphasizes experiential, applied learning. The course includes major written and individual group projects, oral presentations, case analyses, and classroom discussions.

Applied learning requires that you be prepared to bear a major responsibility for your own learning; the instructor's role is to initiate the learning process by introducing and explaining concepts, and provide guidance and direction as you develop your entrepreneurial skills.

TEAM RELATIONSHIP

You are expected to make a significant contribution to the group project. You are also expected to provide a peer evaluation of the contributions of each member of your group (including yourself) on each of the group assignments on the day the assignments are due. Peer evaluations will not be accepted after the class on the day the assignment is due.

A 5% grade reduction on the assignment will be made if you do not complete a peer evaluation.

Peer evaluations should indicate the contribution of each group member (including you) to the group assignment. When evaluating members' contributions you should consider the time and effort expended, quality and originality of the work, and teamwork. An unsatisfactory evaluation is meant to indicate that the group member deserves a lower grade than the grade given to the rest of the group on the assignment. An evaluation form is provided on by website on MISWEB.

Students receiving two or more unsatisfactory peer evaluations from group members on any assignment will be informed and provided an opportunity to present evidence of their contribution. Barring satisfactory evidence to the contrary, unsatisfactory peer evaluations will result in a reduction in grade commensurate with the perceived lack of contribution; usually, this means a failing grade on the assignment.

WRITTEN ASSIGNMENTS

You bear the responsibility to ensure that papers submitted have been thoroughly edited and are of professional quality. All written assignments should be typed and double-spaced, using Times Roman 12 point font (bound or stapled copies are acceptable but no plastic covers, please!). Appropriate source referencing is also required. Title pages are required for all written assignments. The title page should include the title of the paper, your name (for the individual assignment) or names of group members (for group assignments), group number, and date. Deviations from these guidelines will result in a minimum 5% grade reduction. Furthermore, writing style and organization are taken into account in assignment grading.

Suggested page limits on assignments are as follows: (1) Work plans – 5 pages; (2) Feasibility analyses – 20 pages; (3) Business plans – 50 pages. No penalty will be invoked for exceeding these page limits. However, I do not weigh papers in determining grades and unnecessary length can be detrimental to your grade.

All late papers will be downgraded up to 10% if not turned in at the beginning of class on the due date of the assignment. An additional 10% will be deducted if the assignment is not turned in on the due date. For example, a paper turned in after class on the due date will be downgraded 10%. A paper turned in the day after the assignment is due will be downgraded 20%. However, you will be given an automatic zero (0) on any written assignment that I do not receive the day after the assignment is due.

Because you are given ample advance notice of the due dates for written assignments, no excuses will be accepted for late assignments.

Students are also required to send me electronic copies of all assignments no later than 9am the day after the assignment is due. However, except for special circumstances that are discussed with me in advance, submitting the electronic copy does not relieve you from the responsibility of turning in the hard copy of the assignment on time. Grade reductions of up to 10% will be made for turning in the electronic copies of an assignment late.

INDIVIDUAL ASSIGNMENT

Feasibility Analysis. You will conduct an analysis of the business your group proposes from one of the following vantage points: (1) customers, (2) competitors, and (3) suppliers. The reports should be based on the collection of primary and secondary data. Examples of questions that should be answered are available on my website and will be distributed in class.

Multiple reports on customers or competitors, or reports on other facets of the proposed business (e.g., industry, technology and operations, distribution channels, location) may be assigned depending upon the size of the groups and the nature of the proposed business.

Notes. I am anticipating, but not requiring, that most papers will be about 10-20 pages, including exhibits (showing all the data you collected) and references. However, papers will be graded on content and style. Thus, a well-written, well-argued paper that covers the key questions (and perhaps other questions you feel are important) and is comprehensive in presenting all of the data obtained will be viewed favorably regardless of length.

Please **do** include in your report all your references, data sources, and the data you collected. Data should be presented in typed exhibits (not copies of pages from books, websites, etc.). The text portion should discuss your most important findings and your interpretation of those findings. Since this assignment requires that you collect primary (e.g., survey, focus group) and/or secondary (e.g., U.S. Census) data, any report not based on such data will receive an automatic “F”.

It is very important for you to explain, in depth, exactly what you did and how you did it for this assignment. Thus, I want to know where you looked for data, what data you attempted to collect, how you collected and analyzed the data, and anything else pertaining to the methods you used to complete this assignment. Source referencing should also be provided.

Don't forget that the paper needs a (1) good introduction to explain what the purpose of your paper is, (2) a full description of the methods used to collect and analyze the data, (3) a comprehensive presentation of the results, and (4) a good conclusion that summarizes, integrates, and interprets your key findings in the context of your business plan.

Finally, while some coordination among group members with regard to individual feasibility analyses is acceptable, **each student must complete a separate, original paper based on unique data not found in the papers of other group members.** It is your responsibility to make sure your individual paper is distinct in the data used, analysis, and conclusions from the reports prepared by other members of your group. Co-authored papers will receive an automatic zero (0). Papers with significant overlaps in content will also be significantly downgraded.

GROUP ASSIGNMENTS

Work Plan. Your group will provide a short report of 3-5 pages on how you will complete the business plan. At a minimum, this should include: (1) concept statement as discussed on pages 56-58 in the text, (2) identification of key tasks to be performed and data to be collected, (3) assignment of individuals to key tasks and data collection, including assignments for individual feasibility analyses, (4) discussion of methods and sources of data collection, (5) a set of milestones for the accomplishment of the key tasks needed to complete the business plan, (6) a summary of any information already collected, and (7) an appendix that reproduces in full any other work already completed (e.g., questionnaires, interview guides, prior reports) pertaining to the subject area of your business plan.

Each group is required to provide 6 additional copies of the concept statement only for distribution and discussion following the presentation.

Business Plan. Your plan should thoroughly describe (1) the business, strategy, and competitive advantage, (2) industry and target market, (3) management team, (4) marketing plan, (5) operating plan and development plan, including milestones, (6) projected financial statements including sources and uses of funds at start-up, annual income statements for years 1-3, balance sheets for the beginning of year 1 and the end of years 1-3, monthly cash flow statement for year 1, quarterly cash flow statements for years 2-3, breakeven analysis, and detailed notes explaining how you came up with the numbers, (7) critical risks and contingency plans, and (8) any other information pertinent to the evaluation of the proposed business.

Notes. Business plans, which will usually range in length from 30-50 pages including financials and appendices, will be graded on their comprehensiveness, persuasiveness, content, organization, and writing style. Several potential organizational formats for business plans are possible. However, to obtain full benefit from the text and class discussions you are to use the format provided in the business plan outline (which is a slight adaptation from what is presented in the book), making reasonable alterations to fit the unique aspects of your venture. Business plans should cover all topic areas noted above. In addition, all business plans should include an executive summary. If you have questions on what to include please ask me.

In preparing your business plan I recommend that you look at on-line and print sources of information available in the library and on the web. I also recommend that you visit the Small Business Development Center in the Technology Center (201 Research & Technology Building, tel. 325-8684) for assistance in developing your feasibility analyses and business plans.

COLLECTING DATA FROM HUMAN SUBJECTS

Completing your feasibility analysis and business plan may involve collecting data from human subjects. All students are required to read, sign, and return to me the Procedures for dealing with Human Subjects Agreement found at the end of the syllabus. A sample letter for explaining your project to people from whom you seek data is also provided in this syllabus. Failure to complete the agreement will result in a 5-point grade penalty on each assignment until it has been turned in.

PRESENTATIONS

Presentations will be graded on both content and style. You should come prepared and with appropriate visual aids. Presentation notes are acceptable but reading from a script is not.

Only legitimate, verified reasons (e.g., serious illness, injury) for missing a presentation will be accepted. In that case, a written make-up project will be assigned.

Failure to comply with the guidelines in this section will result in a grade reduction of 5-100%.

Work Plan. Work plan presentations should be limited to 10 minutes maximum. You are required to be in class during the presentation of your group. Because of the time limit for the work plan, those presentations may be made by one or more members of your group. Casual attire is acceptable.

Business Plan. Business plan presentations should be limited to about 20-25 minutes maximum (will depend on the number of groups presenting). All of the members of your group are required to speak during the group's presentation of your business plan. You are also required to dress in formal business attire (men: coats, ties, and dress pants; women: business suits or dresses) on the day your group makes its presentation.

CLASS PARTICIPATION AND ATTENDANCE

You are expected to make a significant contribution to class discussions whether these discussions involve the entire class or discussions within your group during class. The best formula is to contribute on a regular basis and to make your contributions count by asking incisive questions, raising important points on the subject area covered, and bringing in your experiences or knowledge that will facilitate understanding of the concepts being covered and the development of your business plan. Remember, the first principle of class participation is to attend class. The second is to come prepared, and the third is to make your ideas heard. I reserve the right to give quizzes at any time should I feel the class is not coming prepared to class. These will count as part of your entire participation grade for that day.

You are expected to attend all classes; attendance constitutes a portion of the class participation grade. Only legitimate, verified absences for illness, injury, family emergency, etc. will be accepted.

Absences or a lack of class preparation will result in a class participation grade of "F" (0) for the first day that you miss or are unprepared. Students with more than ONE (1) day of unexcused absences or lack of preparation will receive a grade of zero (0) for class participation for the

semester. Furthermore, students with any combination of excused absences, unexcused absences, and lack of preparation in excess of THREE (3) days will also receive a grade of zero (0) on class participation for the semester. Finally, students who register for the class late and miss the first week are still subject to the same rules although the missed first class will be counted as an excused absence.

Those who attend classes, prepared, will receive a minimum class participation grade of “C” (75) for that day; contributions to the class discussion will increase that grade. Students with an excused absence will also receive a grade of “C” (75) for the day missed.

Tardiness or leaving class early will result in a minimum 10% reduction in the class participation grade for that day. Habitual tardiness will result in grade reductions substantially higher than the minimum.

Cell Phones and Class Disruptions

University policy states that there is no use of cell phones while in class. This means no use through talking or text messaging. You will be asked to leave the class if using a cell phone. As a courtesy to others, cell phones should be turned off while in class. Appropriate grade penalties will be made for violation of this policy or for other disruptive, impolite, or inappropriate behavior during class.

STUDENTS WITH DISABILITIES

Every reasonable attempt will be made to remove any physical barrier that may hamper the ability of an individual to learn in this classroom. Students should feel welcome to discuss any limitation with the instructor. Please see Mississippi State University policy (AOP 12.35) for further information regarding accommodation requirements for students with disabilities.

HONOR CODE

As a Mississippi State University student I will conduct myself with honor and integrity at all times. I will not lie, cheat, or steal, nor will I accept the actions of those who do. Upon accepting admission to Mississippi State University, a student immediately assumes a commitment to uphold the Honor Code, to accept responsibility for learning and to follow the philosophy and rules of the Honor Code. Students will be required to state their commitment on examinations, research papers, and other academic work. Ignorance of the rules does not exclude any member of the MSU community from the requirements or the processes of the Honor Code.

Plagiarism or academic dishonesty will result in disciplinary sanctions consistent with the rules and regulations of Mississippi State University.

For additional information please see: <http://www.msstate.edu/dept/audit/PDF/1207a.pdf>

MISCELLANEOUS

For situations not covered under this syllabus, please refer to your Student Handbook and other University and Department policies. The instructor will also use them as guidelines for any unexpected situations not discussed or reviewed herein.

GRADING

Final course grades will be determined by a weighted average of your grades on the various course activities. The weights that will be used are as follows:

<u>Course Activities/Assignments</u>	<u>Weight</u>
1. Work plan report and presentation	5%
2. Individual feasibility analysis	25%
3. Class participation	20%
4. Written business plan (1 st draft)	5%
5. Written business plan (final draft)	25%
6. Business plan presentation	10%
7. Best Grade from items 2 and 5	<u>10%</u>
	100%

The following grading scale will be used:

A = 90-100;

B = 80-89.9;

C = 70-79.9;

D = 60-69.9;

F < 60.

I do not curve. I round final grades to the nearest 0.1%, period.

The instructor reserves the right to change the class schedule or other aspects of the course if necessary owing to unforeseen circumstances that might arise during the semester. If such changes are necessary they will be announced prior to their implementation in class and/or by email.

Enrolling in MISWEB

MISWEB allows you to access your grades and obtain course documents. To **register** for MISWEB, go to <http://misweb.cbi.msstate.edu/editor>. When registering you must complete the information under the first link, “main information” and provide a valid e-mail address. If your e-mail changes during the semester simply update it at: <http://misweb.cbi.msstate.edu/editor>. It is your responsibility to maintain the correct contact information.

Go to the College of Business (COB) web-site: <http://misweb.cbi.msstate.edu>, and click on your instructor’s name, for this course. Scroll down the page to the section **Courses Taught**. Select your course, **MGT 3323**, and click on the link for **Online Grades**. You will check your grades and access slides using the password that you selected when you registered for MISWEB.

COURSE OUTLINE

1. August 22 **Introduction to Course.**
Review syllabus.
Basics of the Business Plan.

Handouts: (1) Syllabus, (2) Business plan outline.

Homework: Bug report including (1) a list of 25 things that “bug” you owing to their absence, low quality, etc. (2) three ideas for businesses that would address these problems. Assignment should be typed.

2. August 29 **Selecting a Venture.**
Bug Reports due.
Feasibility screening exercise.

Student form groups, select venture for business plan, and inform instructor.

Reading Assignment: Chapters 1-3.

Handouts: (1) First screen feasibility exercise.

3. September 5 NO CLASS – HOLIDAY.
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4. September 12 **Work plan and Concept Statement: Presentations and Discussion.**

**HARD COPY AND ELECTRONIC COPY OF WORK PLAN DUE
(also bring 6 extra copies of concept statement to class).**

Reading Assignment: Chapter 4.

Handouts: (1) Bennett Industries case, (2) Individual feasibility examples, (3) Feasibility questions.

5. September 19 **Discussion: Bennett Industries (case handout).**

Reading Assignment: Bennett Industries case.

6. September 26 **Preparation of Industry and Target Market sections of plan.**

Reading Assignment: Chapters 5-6.

Handouts: (1) Sales projections handout.

7. October 3 **Feasibility Analysis.**
Discussion of Feasibility Papers.

HARD COPY AND ELECTRONIC COPY OF FEASIBILITY ANALYSES DUE.

8. October 10 **Preparation of Marketing, Management, & Operations sections of plan.**
Develop draft of overall marketing strategy in class.

Reading Assignment: Chapters 7-9

9. October 17 **Financials Statements**
In-class exercise on preparing financial statements.

Reading Assignment: Chapter 10.

Handouts: (1) Finance exercise, (2) Roaring 20s Museum case.

10. October 24 **Discussion: The Roaring '20s Museum (case handout).**

11. October 31 **Discussion of first draft of business plans.**

HARD COPY AND ELECTRONIC COPY OF FIRST DRAFT OF BUSINESS PLAN DUE.

12. November 7 **Feedback on First Draft of Business Plans.**

13. November 14 **NO CLASS – WORK ON BUSINESS PLANS.**

14. November 21 **NO CLASS – FALL BREAK.**

15. November 28 **Group Presentations of Business Plans.**

HARD COPY AND ELECTRONIC COPY OF FINAL DRAFT OF BUSINESS PLAN DUE.

16. December 5 **Group Presentations of Business Plans (if necessary).**

GENERIC SAMPLE LETTER TO PROVIDE TO HUMAN SUBJECTS

I am a student at Mississippi State University in the Entrepreneurship class (MGT 3323) taught by James J. Chrisman (662-325-1991). The primary assignment in the class is the preparation of the business plan.

I am requesting that you assist me in the work necessary to prepare my business plan by providing me with certain data. To get an idea of the feasibility of my proposed business and to determine how such a business should be set up, your input is essential. Therefore, I would greatly appreciate your assistance. The data collection procedure should take only ___ minutes to complete.

The data will only be used for papers pertaining to the Entrepreneurship class. Aside from that, your responses will be kept strictly confidential. I, and the members of my group, will handle data analysis and evaluation. The data in my possession will be destroyed at the end of the semester.

The instructor is required to keep a copy of my assignments for a period of at least six months. He might also decide to use the report in future classes for the purpose of illustrating how to prepare a feasibility study or business plan. However, the instructor will delete any data specific to you or your company contained in the report prior to its further classroom use.

Please note that your participation in this research is voluntary. Should you decide to participate your help in making my study a success is greatly appreciated. Please do not hesitate to ask Dr. Chrisman or me any questions that you might have about the assignment or the course.

PROCEDURES FOR DEALING WITH HUMAN SUBJECTS AGREEMENT

Completing your feasibility analysis and business plan may involve collecting data from human subjects. There are procedures at the University for reviewing research projects that involve human subjects. However, according to the Mississippi State University Institutional Review Board (IRB) Handbook, “The collection of information from respondents for the purpose of class discussion or for the purpose of training in research or research methods does not require IRB review.”

While your research does not have to be approved by the IRB, you should understand the importance of dealing with any person from whom you collect data in an ethical manner. This means that as a representative of Mississippi State University (1) you should do no harm to the persons you deal with, (2) any interactions with persons from who you collect data should be handled in a completely honest fashion, (3) the privacy of subjects should respected and the confidentiality of the information collected should be maintained, and (4) you should provide full disclosure of what you need the data for, how the data will be stored, used, and disposed of, and who will have access to the data. A sample letter covering these key issues is provided for your use.

I have read the above statement and agree to adhere to its strictures in all activities involving human subjects in the MGT 3323 class.

Name _____

Signature _____