

ENTREPRENEURSHIP AND NEW VENTURE CREATION

Understanding the Entrepreneurial Spirit and the Relevance of Designing
Effective Business Plans

Total length of the module: 45 hours

Number of sessions: 30

Length of each session: 1,5 h

OVERVIEW

The purpose of this course is to explore business creation and growth as a multidimensional phenomenon in both independent and corporate (*intrapreneurship*) settings. By linking theory and practice the course aims to provide students an *entrepreneurial perspective* and a hands-on experience in the development of new business ventures.

The course has the following main **learning objectives**:

- build the skills, framework and knowledge in entrepreneurship and new venture creation in order to acquire the knowledge and spirit for venturing;
- set the context for entrepreneurship and understand the role and importance of the small to medium sized enterprises in the economic and social development of countries and regions;
- gain knowledge on the characteristics of entrepreneurs and the entrepreneurial process;
- understand the importance of the planning process and learn how to develop, write and present an effective business plan for a new venture.

REQUIREMENTS

All classes are taught in English, so one fundamental requirement is the control of the English Language.

CONTENTS

The focus of the course is the development of a plan for a new venture. To this end, during the first week, the class will divide into teams of up to 5 persons. Each team member should provide the group with at least one idea for a new business. During the *brainstorming* session, each team will select one idea it believes would result in the most viable business. The selected idea will be the team's *New Venture Proposal* for which a comprehensive *Business Development Plan* will be prepared and presented. Classes will be conducted in seminar format promoting student's participation. Being the aim of the lectures to cover the subjects described in the "Course Outline" section both from a practical and theoretical perspective, the course divides into theoretical lectures and tutorials. These two formats will alternate during the week that is each theoretical lecture will be followed by tutorials. The tutorials represent practical applications of the knowledge acquired in the weekly lectures, through case-studies and/or business idea and plan development.

The outline of the course follows:

1. Intro class:
 - a. The concept of Enterprise: broad and narrow meanings
 - b. Approaches to the study of entrepreneurship
 - c. The role of Entrepreneurship in the economy and society
2. The Entrepreneurial culture
 - a. Influences on entrepreneurship development
 - b. Support for entrepreneurship development
3. Entrepreneurship and the person
 - a. The nature, characteristics and behaviour of the entrepreneur
 - b. Entrepreneurship, creativity and innovation
 - c. Motivation, leadership and team building
4. Getting into business
 - a. Business ideas vs. opportunities
 - b. The nature and sequence of business start-up
 - c. Types of entrepreneurial ventures

5. New venture planning and creation
 - a. Introduction to the business plan: purpose and format, problems associated with the business plan
 - b. Main components of the business plan
6. Market and marketing plan
 - a. The importance of the customer
 - b. Market research for entrepreneurs
 - c. Marketing for the small business
7. Operations and Human Resources
 - a. Operations and production planning
 - b. Human resources planning
8. Financial planning
 - a. Forecasting inputs and outputs
 - b. Components of the financial plan
 - c. Financial tools for small business viability assessment
 - d. Types of funding
9. Strategic management for new ventures
 - a. Pre-start planning and preparation
 - b. Launching the new venture
 - c. Market entry strategies
10. Survival and growth of small businesses
 - a. Barriers to growth in small firms
 - b. The dynamics of management in growing businesses

GRADING

The final grade of each student is determined considering the following weights:

<p>20% - Participation: Participation in class and involvement in class debates during presentations</p>

35% - Case-study assignments: Quality and originality, as well as commitment will be considered.

45% - Final Case: Final report of the Business Plan and its oral presentation (this grade will be based on the grade given to the group for the business plan). For this final report quality and originality, and the application of those concepts given in class are valued. For the oral presentation, group dynamics and the quality of the presentation (oral skills and the quality of the support material used) are important.

In groups of two to three, students will prepare their presentations, each of approximately 25 minutes and 20 minutes more for discussions. Students will also receive a mid-term feedback report including an assessment on the evolution of their learning process and recommendations for improvement. In the case that the students want to receive specific feedback from the professor, they must ask for an appointment.

READINGS AND MATERIALS

All necessary readings as well as the case-study pack and additional material will be handed to you during the course.

In addition, the following book is complementary reading:

Barringer, R.B., Ireland, D.R. (2008) Entrepreneurship: Successfully Launching New Ventures, 2nd edition. Pearson Education.