



**BUS827: ENTREPRENEURSHIP AND
BUSINESS STRATEGY**

Dr David Poole

Semester 1, 2010

Department of Business

**MACQUARIE UNIVERSITY
FACULTY OF BUSINESS AND ECONOMICS
UNIT OUTLINE**

Year and Semester: Semester 1, 2010

Unit convenor: Dr David Poole

Prerequisites: Students enrolling in this unit should be familiar with basic accounting, finance, marketing and general business concepts.

Not to be Counted With: ACCG827, INOV827

Students in this unit should read this unit outline carefully at the start of semester. It contains important information about the unit. If anything in it is unclear, please consult the unit convenor, Dr David Poole.

ABOUT THIS UNIT

Entrepreneurship and Business Strategy (BUS827) is a postgraduate unit offered by the Graduate Studies Office as part of the Master of Commerce and Master of International Business programs. 4 credit points will be awarded to students who successfully complete this unit.

The purpose of this unit is to provide students with an understanding of the process that an entrepreneur employs to develop an idea into an opportunity and then into a thriving, valuable business. We will see how the application of sound principles of business strategy underpins the entrepreneurial process and is critical in achieving a successful outcome.

Successful completion of this unit will provide students with knowledge and tools that will support you in your own entrepreneurial endeavours or equip you to contribute as part of an entrepreneurial team.

Skill Development: Students will practice cognitive, interactive, and teamwork skills including analysis, synthesis, evaluation, reflection, critical thinking, problem-solving, critiquing, and communicating.

Creativity and Innovation: The contribution of innovation and the creative process in entrepreneurship will be recurring themes throughout the course.

TEACHING STAFF

- Convenor and Lecturer:

Dr David Poole, B.Bus., MBA, M.Ed.Admin., PhD

Department of Business

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Consultation times:

Mondays 3:00pm – 4:30pm, Thursdays 10:30 – 12:00. Other times by appointment.

Office location: E4A 652

REQUIRED AND RECOMMENDED TEXTS AND/OR MATERIALS

The required text for BUS827 is:

Frederick, Howard H. & Kuratko, D.F. (2010) *Entrepreneurship – Theory, Process, Practice*, 2nd Asia-Pacific Edition, Cengage Learning, Melbourne.

This text will be available for purchase at the Macquarie University Co-Op Bookshop. Additional readings and other materials, including powerpoint slides for each lecture, will be placed on the unit webpage and/or distributed in class.

UNIT WEB PAGE

A unit web page will be maintained on the university's online teaching facility (<http://learn.mq.edu.au>).

This website will be used to communicate with students outside of class time, post reading materials and lecture notes and support assessment tasks. Therefore you should check the site regularly.

On entering the website you will be asked to enter a username and password. Your username is your standard Macquarie Student ID Number (an 8-digit number found on your Campus Card). Your password will be the original MQID password that was sent to you on enrolment (2 random characters followed by your date of birth in ddmmyy format), unless you have already changed your password in the myMQ Student Portal. Note that both your username and your password are CaSe SeNsItIvE.

LEARNING OBJECTIVES AND OUTCOMES

After successfully completing this unit you will be able to:-

- a) Gain an understanding the economic, technological, societal, and global dimensions of entrepreneurship and intrapreneurship.
- b) Understand the major differences between personal entrepreneurship and intrapreneurship, which often occurs in larger mature organisations.
- c) Understand the relationships between personal goals, competencies, and experience to assess what they bring to all types of ventures.
- d) Understand and practice idea generation and screening including opportunity analysis trends, feasibility and competitive analysis.
- e) Understand the audiences, purposes, components and the processes of developing and evaluating business plans for new ventures.
- f) Comprehend the issues and tasks involved in setting up a venture, marketing and financing the venture, and evaluating venture performance.
- g) Consider how to monitor venture performance, manage growth, and sustain organisations.
- h) Understand the basics of entrepreneurial finance: raising funds, growth financing, financial evaluation of opportunities, and acquisition financing.
- i) Understand and appreciate the leadership skills necessary to successfully plan and launch a new venture in an established organization.
- j) Know how resources can be maximized for both personal and corporate ventures.

In addition to the above discipline based learning objectives, all academic programs at Macquarie seek to develop students' generic skills in a range of areas. One of the aims of this unit is that students develop their skills in the following:-

- Foundation skills of literacy, numeracy and information technology;
- Your self awareness and interpersonal skills, such as the capacity for self management, collaboration and leadership;
- Communication skills for effective presentation and cultural understanding;
- Critical analysis skills to evaluate, synthesise and judge;
- Problem solving skills to apply and adapt knowledge to the real world;
- Creative thinking skills to imagine, invent and discover.

In this unit, the interactive nature of the lectures, group work, use of real world examples and opportunities to apply models through individual assessment tasks will be helpful in achieving these objectives.

TEACHING AND LEARNING STRATEGY

Normally, there will be a lecture at the beginning of each class that will be used to present new concepts and tools that will contribute to students' understanding of the subject area and assist you to complete assessment tasks. These lectures will be interactive and will use real life examples where possible. In order to prepare for these lectures students are required to complete the readings for this session in advance. These readings are set out in the week-by-week timetable that can be found at the end of this course outline.

The second part of each class will be used to complete in-class exercises that will provide students with an opportunity to put the concepts and tools discussed during lectures into practice. Some of these in-class exercises will be completed outside of class time and will be collected the following week. These collected exercises will contribute to your individual assessment.

Students will be placed into groups at the beginning of the course. Groups will work together to complete a group assignment. This group assignment will concentrate on implementing a small number of the key tools discussed during the course. The second part of some classes will be used to allow groups to work on some particularly critical parts of their group assignments.

Having said this, since BUS827 incorporates the lecture and tutorial in one 3-hour session, **classes may move between lecture and tutorial elements (including student presentations) in order to break-up the class and ensure an optimal learning environment.** After all, we're learning about being entrepreneurial!

RELATIONSHIP BETWEEN ASSESSMENT AND LEARNING OUTCOMES

The purpose of the assessment tasks is to demonstrate that students have met the learning objectives as set out above. The following table describes the relationship between the assessment tasks and the learning outcomes:-

Assessment Task	% of Total Marks
Group Business Plan	30
Group Business Plan Presentations	20
Individual Class Participation	20
Individual Presentation – “Entrepreneur of the Week”	10
Individual Learning Journal	20

Please note that there is no final examination in this unit.

Group Business Plan and Presentations (50% of total marks)

Successful entrepreneurs are able to build teams and work well within them. This group assignment provides students with the opportunity to work in a team environment while at the same time delivering the key elements of a business plan.

During the first class you will be assigned to a group of 4 to 5 students. Your group will work together through the semester to build a plan for a new venture by completing the following tasks:-

1. From the ideas generated by your team select several opportunities to be screened. Screen these opportunities using the tools you have been exposed to in this unit. Select one opportunity that will form the basis of your new venture.
2. Create a business plan for your new venture that will encourage investors and debt providers to back you.
3. Recommend a team and organisation structure that will best support your new business.
4. Generate a financing plan that recommends the most appropriate funding sources and provides support for this recommendation.
5. Finally, recommend a harvest plan for your organisation that provides the maximum value for the initial investors.

Deliverables:

Week 4 – In this class, each group will present for 5 minutes, providing information to the class about the progress of their business plan. PowerPoints are limited to 5 slides per group. Class colleagues will be invited to critique your ideas. Each group must provide a copy of their slides and a one to two-page summary of their progress to the Lecturer during the class. This assessment will be valued at 10% of the total marks available for this unit (5% for the presentation; 5% for the one to two-page summary).

Weeks 11 and 12 – Groups will be allocated to one of these weeks to present the highlights of their Business Plans for a maximum of 15 minutes. Questions and answers will consume a further 5 to 10 minutes. PowerPoints are limited to 15 slides per group. The Business Plan to be submitted to the Lecturer during this class should be a maximum of 20 pages (plus any relevant appendices). Please note that evidence of clear thinking and an appreciation of the process is far more important than the volume of information generated. In general, the structure of the Business Plan should incorporate the 5 criteria listed above. Students may also consider the suggested Business Plan structure on pages

436 and 437 of the textbook, as well as the sample plans and suggestions located at www.bplans.com

This assessment will be valued at 40% of the total marks available for this unit (15% for the presentation; 25% for the Business Plan).

Time will be provided during class for your groups to meet and discuss progress with the lecturer.

What product or service should you consider?

This is entirely up to you. You may consider recent inventions that have been considered on programs like The New Inventors or can find on the web in coverage of design awards winners and finalists. Alternatively, you may consider a new niche within an existing industry. For instance, the international education sector is currently experiencing a good deal of turmoil. Nonetheless, it remains a sector that should prove very profitable in the years ahead given the demand for higher education throughout the Asia-Pacific region. Your group should brainstorm a number of alternatives before deciding on that on which you will focus. Think outside the square. For example, would it be feasible to offer a credit card whose interest rate is 2% less than the average of the leading providers in this market? Be creative!

The ageing population, Generation Y preferences for new forms of media, and rapidly changing technologies in healthcare provide further areas for possible consideration.

Individual Class Participation (20% of total marks)

Postgraduate learning relies on adult learning principles. In adult learning, students take responsibility for significant elements of their own learning. In addition, since we learn in different ways and often learn most by considering the views of others and offering our opinions for constructive critique, class interaction is critical. This will occur in both lectures and tutorials (since we consider these together as a 3-hour seminar). To maximise your grade for this assessment task, it is strongly suggested that you prepare for class by undertaking the readings and tutorial questions/activities/exercises listed below. Get to class on time, come along with a positive attitude, and be prepared to share.

Individual Class Presentation – “Entrepreneur(s) of the Week” (10%)

Beginning in Week 3, several students in each class will be asked to spend 5 or 6 minutes discussing the life of a well-known or less well-known entrepreneur. It could be someone in your family, someone you know, or someone you have tracked down in the literature (newspapers, magazines, books, internet). The best way to prepare for this presentation would be to find a biography or autobiography that you can read from cover-to-cover in preparing your presentation.

We don't need to know the "boring basics" of this person's life. What we would like to know about are the most interesting experiences, lessons, decisions and "tipping points" in their life. For instance, Lee Iacocca led the turnaround of Chrysler in the 1970s after being sacked as President of Ford. Theoretically, Iacocca was an "intrapreneur" rather than an "entrepreneur", however intrapreneurs are also relevant for our unit.

If you are using PowerPoints, you can use no more than 5, plus an Intro slide. You are encouraged to make your presentation interesting, entertaining, and fun! Be entrepreneurial!

Individual Learning Journal (20%)

The Reflective Learning Journal provides an opportunity for individual critical thinking and reflection about the information conveyed through lectures, tutorials and readings, the relationship between these, and the learning process itself. Regular reflective and analytical writing provides students with a structured avenue for active engagement in the course materials as the session progresses. It also provides an essential basis for active tutorial participation. Students are encouraged to consider the course materials and activities in the light of their own experiences and perspectives and to take responsibility for their own learning.

Requirements

Students are required to keep a journal as a record of their learning process. The journal will consist of six entries typed on A4 pages. Each entry will relate to a different week of the program. The journal will consist of reflections on material covered in each of six different weeks of the course program between weeks 1 and 12.

Entries should be made after the relevant tutorials and record:

- reflections and responses to materials covered in lectures and tutorials, readings and class exercises.
- reflections on learning in classes and its impact on existing views and opinions, other courses and students' experiences generally in learning environments.
- consideration of the implications that specific material covered in class and in tutorial readings may have for professional practice.
- The journal can include one entry reflecting on the synopsis presentations in Week 4.
- **Students are advised to commence their journal early**, and not leave it till just before the due date when, depending on the lapse of time, reflection will be much more difficult.
- Students should also note that, because there is an expectation that they are reading for the tutorials, in order to meet the journal requirements, the tutorials will be run on the assumption that students are prepared for them.

Format and Guidelines

There is no specific format or style required for this assignment. Students are free to choose how they approach their entries. There are however specific guidelines that must be adhered to:

Students **must** record in an **ACTIVE VOICE** their views and reactions to the material covered in the class sessions, readings and activities, including thoughts triggered during and/or after activities, new discoveries, and difficulties in understanding. In other words, how has your learning insight changed your thinking about entrepreneurship, about what you might do in the future, about how you observe entrepreneurs in action?

Submission

Students are required to submit their journals in hard copy to their Tutor during the week 13 tutorial.

Marking criteria.

1. clear writing/presentation
2. evidence of reflection on course material covered in classes, readings, activities.
3. evidence of appropriate mix of description and reflection
4. evidence of engagement with the course’s emphasis on adult learning principles (deeper learning, reflection, contemplation) in students’ reflection on their own learning.

Weekly Schedule

Week	Week Begins	Lecture Topic	Text Readings
1	22 February	Introduction to Entrepreneurship	Chapter 1
2	1 March	The Entrepreneurial Mind-Set Social entrepreneurship; Ecopreneurs; Disadvantaged groups Tutorials Start This Week	Chapter 2 Chapter 3 (pp.119-127 only)
3	8 March	Developing a Business Plan	Chapter 12
4	15 March	Innovation Business Plan Presentations	Chapter 5
5	22 March	Pathways to entrepreneurial ventures	Chapter 6

6	29 March	Legal & regulatory challenges; Sources of finance	Chapters 7 & 8
7	19 April	Assessment & commercialisation of entrepreneurial ventures	Chapter 9
8	26 April	Entrepreneurial marketing challenges	Chapter 10
9	3 May	Measuring entrepreneurial performance	Chapter 11
10	10 May	Entrepreneurial growth	Chapter 13
11	17 May	Global growth opportunities Business Plan Presentations (I)	Chapter 14
12	24 May	Family entrepreneurship Business Plan Presentations (II)	Chapter 15
13	31 May	Intrapreneurship Individual Learning Journal Due	Chapter 16

Tutorial Program:

Please prepare your written answers to the following questions, activities, and exercises BEFORE these classes:

- 2 March Experiential exercises: Understanding Your Beliefs about Successful Entrepreneurs, Are You a High Achiever? (pp25-27)
- 9 March Case 2.1: Jane's Evaluation (p59)
- 16 March Case 12.1: Getting it Right by Doing it Wrong (p457)
- 23 March Experiential exercise: Developing your personal creativity (pp.176-177)
- 30 March Experiential exercise: Do you have what it takes...? (pp209-210)
- 20 April Case 8.1: Looking for capital in Malaysia (pp.288-289)
- 27 April Experiential exercise: Internal Profile Analysis (pp329-330)
- 4 May Case 10.1: Dealing with the competition (pp371-372)
- 11 May Case 11.1: It's all Greek to her (p422)
- 18 May Case 13.1: Hendrick's Way (pp501-502)
- 25 May Experiential Exercise: Market selection matrix (p536)
- 1 June Case 15.1: Just as good as ever (p560)

PLAGIARISM

The University defines plagiarism in its rules: "Plagiarism involves using the work of another person and presenting it as one's own." Plagiarism is a serious breach of the University's rules and carries significant penalties. You must read the University's practices and procedures on plagiarism. These can be found in the *Handbook of Undergraduate Studies* or on the web at: <http://www.student.mq.edu.au/plagiarism/>

The policies and procedures explain what plagiarism is, how to avoid it, the procedures that will be taken in cases of suspected plagiarism, and the penalties if you are found guilty. Penalties may include a deduction of marks, failure in the unit, and/or referral to the University Discipline Committee.

STUDENT SUPPORT SERVICES

Macquarie University provides a range of Academic Student Support Services. Details of these services can be accessed at <http://www.student.mq.edu.au>.

USEFUL WEBSITES FOR BUS827

Australian Industry InnovationXchange Network <http://innovationxchange.com.au>

A collaborative website that seeks to address the important issues of innovation. It is an initiative of the Australian Industry Group.

Business Entry Point <http://www.business.gov.au>

A Commonwealth government initiative that makes it easy to search and deal with all levels of government including 50 Commonwealth government agencies, 100 state agencies and 125 industry associations.

All Business Network <http://www.all-biz.com>

An in-depth source of information for people who are already in business and for those just starting out. Navigation is easy and many links are included. Good bibliography of print publications.

AVCAL <http://avcal.com.au>

Australian Venture Capital Association Limited

Baker Library, Harvard Business School <http://www.library.hbs.edu>

The Baker Library Web site contains a wealth of information about publications on a wide range of business topics. The Bibliographies and Guides section contains an extensive, annotated bibliography of books, serial publications, and Web sites on small business and high growth companies. Other annotated bibliographies help users find company, industry, and financial services information sources.

Bread TV <http://www.breadtv.com.au>

Bread TV is an Australian lifestyle TV show showcasing small business using real life case studies about the trials and tribulations of running a small business. The website provides deeper content around the stories and features practical, hands-on business advice.

Business Owners Toolkit. Riverwood, IL: CCH, Inc. <http://www.toolkit.cch.com>

Features advice from the SOHO Guidebook, as well as a collection of business forms and selected current news of interest to small business owners. They also have a fee based premium service that allows you to search proprietary databases.

Business Resource Center <http://www.morebusiness>

A very thorough site that offers tips for getting started, advice, a free newsletter, weekly business tips, marketing tips, management center, financing guide, legal clinic, profitability tips, information about upcoming trade shows, tax talk, and other business links.

Business Week Enterprise. New York: Business Week.

<http://www.businessweek.com/smallbiz>

Features news, article archives, and resources for finance, technology, market research, staff and benefits, travel, and more. Some features are unique to *Business Week*, with others the partner with other information providers such as the Business Owners Toolkit, DRI/McGraw Hill, and Standard & Poors.

Career Leader™ <http://www.careerdiscovery.com/hbsp>

Career Leader™ is a fully integrated approach to business career self-assessment developed by Dr. James Waldroop and Timothy Butler, Directors of MBA Career Development Programs at Harvard Business School.

CEOExpress <http://www.ceoexpress.com>

Based on the principle that 80% of the useful information on the Internet comes from a small percentage of the Web sites, CEOExpress was designed to provide links to the best business sites for targeted business applications and research. Not just for entrepreneurs, this site contains the bookmarks for the best business information sites. Updated daily.

Edward Lowe Foundation/Small Biz Net <http://www.lowe.org>

Sponsored by the Edward Lowe Foundation, this Web site offers features such as current small business news, seminars, current events, digital library, Edge Online, and the small biznet exchange. Includes links to government & private sites.

Entre World. Kansas City, MO: Ewing Marion Kauffman Foundation Center For Entrepreneurial Leadership Inc.

<http://www.entreworld.org>

This Web site gives advice on starting and running your business; includes service directories and useful links for small businesses.

FinanceHub <http://www.financehub.com>

Finance Hub offers many options for seekers of venture capital and investors. Includes information on venture capital companies, law advice, banking information, and articles on how to obtain venture capital. Entrepreneurs can list their companies for free in the Finance Hub database.

The Foundation for Enterprise Development <http://www.fed.org>

The Foundation for Enterprise Development is a non-profit organization that provides equity compensation and employee ownership strategies to thousands of entrepreneurs and key executives worldwide. The site has an array of useful links and tools of interest to anyone interested in starting their own business.

Garage.com <http://www.garage.com>

Provides assistance and advice to entrepreneurs to help them obtain seed level financing. Identifies and pre-screens high quality investment opportunities matched to investors' identified interests.

MIT Enterprise Forum <http://www.mit-forum-cambridge.org>

Over the past twenty years, the MIT Enterprise Forum of Cambridge has assisted approximately 1,000 companies in a variety of ways — helping them to make their business plans more attractive to financial resources, build management teams, focus on specific markets, develop strategic alliances, and providing education programs.

Bplans.com <http://www.bplans.com>

Palo Alto Software publishes the market leading business plan software, and also has an excellent free information site at Bplans.com — you can find out about the software behind it all here.

Quicken: Small Business. Intuit, Inc.

http://www.quicken.com/small_business

Includes news and trends, advice, chat rooms, and questions and answers. Lets you customize the site with industry news.

The Small Business Advisor <http://www.isquare.com>

Site includes articles of interest to small business. Topics include: operations, marketing, selling, legal issues, and customers. Site also has books for sale, daily marketing tips, tax hints, a glossary, and a list of small business associations.

Entrepreneur.Com <http://entrepreneur.com>

This website contains more than 30,000 pages of small business content with 33 industry experts who will answer user questions and conduct hosted chats on a wide variety of topics. The site also includes 11 databases to help users to locate anything from banks to business opportunities, and services such as a barter network, business financing, lawyers, personnel, and Web developers.

Small Business Administration. Washington, DC: U.S. Small Business

Administration. <http://www.sbaonline.sba.gov>

The Small Business Administration's home page provides information on starting, financing, and expanding a business, and includes an extensive list of great business hot-links and a library of business shareware.

Small Business Centre <http://smallbusiness.ninemsn.com.au>

From the Channel Nine stable of webpages that run complementary to current television shows, the Small Business Centre offers practical advice, tools and services for small business operators.

Smallbusiness.gov.au <http://www.smallbusiness.gov.au>

A useful online directory of small business information provided by various Australian government departments and agencies.

I hope that you enjoy your studies this semester and are able to pick up some insights and new learning that will be useful to your future.

Dr David Poole