BUS827
ENTREPRENEURSHIP AND BUSINESS STRATEGY

Semester 2, 2011

Department of Marketing & Management
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 teaching staff in the unit.

**ABOUT THIS UNIT**

Entrepreneurship and Business Strategy (BUS827) is a postgraduate unit offered by the Business and Economics Graduate Centre (BEGC) 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 practise 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.

- **Venture Creation:** Students will learn the conceptual model for the entrepreneurial process of launching successful new ventures.
TEACHING STAFF

Lecturer and tutor (North Ryde Campus):
Mr Julian W. Yim MBA, MAppSc, BSc, BA
Email: julian.yim@mq.edu.au

CONSULTATION TIMES

- Consultation time: pre-arranged appointment by email
  on Tuesday (Semester 1)
  or Monday and Thursday (Semester 2)

- Consultation Venue: E4B-104

- You are encouraged to seek help at a time that is convenient to you from a staff member teaching on this unit during their regular consultation hours. In special circumstances, an appointment may be made outside regular consultation hours. Staff will not conduct any consultations by email. You may, however, phone staff during their consultation hours.

- Students experiencing significant difficulties with any topic in the unit must seek assistance immediately.

CLASSES

- Number and length of classes: 3 hours face-to-face teaching per week, consisting of 1 x 2 hour lecture and 1 x 1 hour tutorial.

- The timetable for classes can be found on the University web site at: http://www.timetables.mq.edu.au/

- Please note that it is not possible to switch between classes and students must attend the class for which they have enrolled due to the integrative nature of group activities. Once the tutorial groups are formed, students cannot change their classes.

- Attendance will be taken in the weekly classes. Medical certificates must be provided if you are not able to attend a class without incurring a penalty.

- **Warning**: You must attend at least 10 of the 12 weekly classes – failure to do so may affect your learning outcomes and performance in this Unit.

- Students are expected to arrive on time, and not to leave until the class ends.

- If you have a recurring problem that makes you late, or forces you to leave early, have the courtesy to discuss this with your lecturer/tutor.

- Students must be quiet during classes, unless of course when class participation is required. Students who disturb or disrupt in lectures and tutorial class will be asked to leave.

- Mobile phone must be turned OFF.
**PRIZES**

- None

**REQUIRED AND RECOMMENDED TEXTS AND/OR MATERIALS**

- Prescribed text: 
  **Barringer, Bruce R and Duane, Ireland 2010, Entrepreneurship: successfully launching new ventures, 3rd edn, Prentice Hall, Boston.**

  This textbook comes in a value pack which includes the software CD of Business Plan Pro, Entrepreneurship: Starting and Operating a Small Business & Business Feasibility Analysis Pro.

  This text is 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.

**TECHNOLOGY USED AND REQUIRED**

- Students are required to learn how to use power point, word processing, blackboard and Business Plan Pro software.

**UNIT WEB PAGE**

The web page for this unit can be found at: Blackboard [http://learn.mq.edu.au](http://learn.mq.edu.au)

**LEARNING OUTCOMES**

The learning outcomes of this unit are:

1. Apply the entrepreneurial process model to analyse entrepreneurs’ venture creation.

2. Understand and practise idea generation and screening including opportunity analysis trends, feasibility and competitive analysis.

3. Understand the process how to write up feasibility analysis and business plan to launch the new venture successfully.

4. Understand the basics of entrepreneurial finance: raising funds, growth financing, financial evaluation of opportunities, and acquisition financing.

5. Comprehend the issues and tasks involved in setting up a venture, marketing and financing the venture, and evaluating venture performance for growth and sustainability.
**GRADUATE CAPABILITIES**

Business management graduates are expected to know the following 6 discipline specific knowledge and skills upon graduation. This unit contributes to this learning by helping student develop capability number 2, 4 and 5 below (italicised).

1. Gain an understanding of the economic, technological, societal, and global dimensions of entrepreneurship.

2. *Understand the relationships between personal goals, competencies, and experience to assess what they bring to all types of venture creation through entrepreneurship.*

3. Understand the audiences, purposes, components and the processes of developing and evaluating business plans for new ventures.

4. *Understand and appreciate the leadership skills necessary to successfully plan and launch a new venture in an established organization.*

5. Know how resources can be maximized for both personal and corporate ventures.

6. *Consider how to monitor venture performance, manage growth, and sustain organisations.*

In addition to the discipline based learning objectives above, Macquarie University also seek to develop the following 8 generic capabilities in our graduates in order to address the challenges, and to be effective, engaged participants in their world.

This unit contributes to this learning by helping student develop generic skills number 1, 2, 3 and 4 below (italicised).

1. *Critical, Analytical and Integrative Thinking*
2. *Problem Solving and Research Capability*
3. *Creative and Innovative*
4. *Effective Communication*
5. Engaged and Ethical Local and Global citizens
6. Socially and Environmentally Active and Responsible
7. Capable of Professional and Personal Judgement and Initiative
8. Commitment to Continuous Learning

**TEACHING AND LEARNING STRATEGY**

- The unit is taught by lectures and tutorial activities with group discussions.

- 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 chapter reading in the textbook in advance. These readings are set out in the week-by-week timetable that can be found in this section.
• A detailed weekly schedule of the Course is as follows:

**Weekly Schedule**

<table>
<thead>
<tr>
<th>Week</th>
<th>Week Begins</th>
<th>Lecture Topic</th>
<th>Text Readings</th>
<th>Tutorial</th>
<th>Assessment</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>1/8/2011</td>
<td>Introduction to Entrepreneurship</td>
<td>Chapter 1</td>
<td>Unit Overview; Intro. To Business Plan Pro (I)</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>8/8/2011</td>
<td>Feasibility Analysis</td>
<td>Chapter 3</td>
<td>Intro. To Business Plan Pro (II); Feasibility Analysis Template</td>
<td></td>
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<tr>
<td>3</td>
<td>15/8/2011</td>
<td>Writing a Business Plan</td>
<td>Chapter 4</td>
<td>Practice of Business Plan Pro</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>22/8/2011</td>
<td>Recognising opportunities and Generating Ideas</td>
<td>Chapter 2</td>
<td>Practice of Business Plan Pro; Case 2.1 (p67-70)</td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>5/9/2011</td>
<td>Developing an Effective Business Model and Building a New-Venture Team</td>
<td>Chapter 6 &amp; 9</td>
<td>Group Feasibility Analysis Presentation (II); Case 6.1 (p201-203)</td>
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</tr>
<tr>
<td>7</td>
<td>12/9/2011</td>
<td>Preparing a Proper Ethical and Legal Foundation</td>
<td>Chapters 7</td>
<td>Group Business Plan Discussion</td>
<td>Individual Analysis Report on Chosen Entrepreneur</td>
</tr>
<tr>
<td>Week</td>
<td>Week Begins</td>
<td>Lecture Topic</td>
<td>Text Readings</td>
<td>Tutorial</td>
<td>Assessment</td>
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<tr>
<td>9</td>
<td>10/10/2011</td>
<td>Getting Funding or Financing</td>
<td>Chapter 10</td>
<td>You Be the VC 10.1 (p341)</td>
<td>(Individual) Case 10.2 Due (p345-347) Discussion Questions 1 to 4) Due</td>
</tr>
<tr>
<td>10</td>
<td>17/10/2011</td>
<td>Unique Marketing Issues</td>
<td>Chapter 11</td>
<td>Business Plan Project Wrap-up; Case 11.2 (p382-384)</td>
<td></td>
</tr>
<tr>
<td>11</td>
<td>24/10/2011</td>
<td>The Importance of Intellectual Property</td>
<td>Chapter 12</td>
<td>Business Plan Presentation (I)</td>
<td>Group Business Plan Report Due</td>
</tr>
<tr>
<td>13</td>
<td>7/11/2011</td>
<td>Business Plan Presentation (III)</td>
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</tbody>
</table>

- 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.

- Students will be placed into groups at the beginning of the course. Groups will work together to complete two group assignments. 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!

**Research and Practice**

- Useful websites for research in this course:

  **Australian Government Initiative**
  [http://www.business.gov.au/Pages/default.aspxbusiness.gov.au](http://www.business.gov.au/Pages/default.aspxbusiness.gov.au) offers you simple and convenient access to all the government information, forms and services you need. It's a
whole-of-government service providing essential information on planning, starting and growing your business.

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

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](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.

Australian Venture Capital Association Limited

**Baker Library, Harvard Business School** [http://www.library.hbs.edu](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 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.

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](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.

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 LeaderTM http://www.careerdiscovery.com/hbsp
Career LeaderTM 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.

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

University of Queensland Business School’s Enterprize Competition is open to all entrepreneurs with a business idea that is ready to launch. Enterprize provides seed capital to promising start-up companies and gives participants the opportunity to have their business plan reviewed by potential investors. Fostering networking with venture capitalists and business angels, it could be the perfect launch-pad for your new venture.

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
It 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](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.

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](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](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.

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.

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.

A useful online directory of small business information provided by various Australian government departments and agencies
### Relationship Between Assessment and Learning Outcomes

**ASSESSMENTS**

In order to pass this Course, students must:

a) Attempt ALL assessment tasks as given below; and
b) Attain an overall composite pass mark of 50%.

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.

<table>
<thead>
<tr>
<th>Assessment Task</th>
<th>1A. Feasibility Analysis Report (10%) and Presentation (10%) (Group)</th>
<th>1B. Business Plan Report (20%) and Presentation (10%) (Group)</th>
<th>2. Individual Analysis Report on Chosen Entrepreneur (30%)</th>
<th>3. Individual Case Study Analysis (20%) (Two cases, 10% each)</th>
<th>Total</th>
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<tbody>
<tr>
<td><strong>Description</strong></td>
<td>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 feasibility analysis report. As a preliminary evaluation of a business idea, a feasibility analysis (First Screen) done by your group is required to determine if an idea is worth pursuing and to screen ideas before spending resource on them.</td>
<td>For most new ventures, the business plan is a dual-purpose document used both inside and outside the firm. Your group is required to work together through the semester to build a business plan for a new venture by completing the following tasks based on the Feasibility Analysis Report (First Screen)</td>
<td>You are required to do research on the chosen entrepreneur that you would like to study and his/her related companies. You have to write a concise, clear and well edited report with your findings and recommend solution for major company issues related to venture creation.</td>
<td>Each student will be asked to analyse two case studies from the textbook (Case Study 10.2 and 14.1).</td>
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</tr>
<tr>
<td><strong>Due date</strong></td>
<td>Group report and group presentation due on Week 5</td>
<td>Group report due on Week 11 and group presentation between Week 11 and 13</td>
<td>Individual report due on Week 7</td>
<td>Case 1 due on Week 9 and Case 2 due on Week 12</td>
<td></td>
</tr>
<tr>
<td>Assessment Task</td>
<td>Task 1A. Feasibility Analysis Report (10%) and Presentation (10%) (Group)</td>
<td>Task 1B. Business Plan Report (20%) and Presentation (10%) (Group)</td>
<td>Task 2. Individual Analysis Report on Chosen Entrepreneur (30%)</td>
<td>Task 3. Individual Case Study Analysis (20%) (Two cases, 10% each)</td>
<td>Total</td>
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<tr>
<td><strong>Marking criteria/standards &amp; expectations</strong></td>
<td>Each group member should participate equally and enthusiastically towards the final write-up of the group report and group presentation. A group Feasibility Report (max. 6 pages) has to be submitted on the due date. The summary of the report will be presented by the group to the whole class. Individual presentation mark will be given according to his/her thorough preparation for presentation <strong>(15-20 minutes)</strong>.</td>
<td>Each group member should participate equally and enthusiastically towards the final write-up of the group business plan (max. 30 pages) and group presentation. <em>Business Plan Pro</em> software is being adopted to enhance the skills of business plan writing. Each member should install this software in his/her own notebook and get a lot practices at home and in tutorials. Groups will be allocated to present between Week 11 and 13 for the highlights of their Business Plans for a max. <strong>25 minutes</strong>.</td>
<td>The 3,000 word limit includes all sections except the Executive Summary (maximum ONE page), Contents Page and the Reference List at the end of the report.</td>
<td>There are four questions in each case study. The answers in each analysis report should not exceed <strong>four (4) pages</strong> with font size 12 and 1.5 line spacing. Each report is worth 10%.</td>
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<tr>
<td>Submission method</td>
<td>Via Turnitin and in class to lecturer</td>
<td>Via Turnitin and in class to lecturer</td>
<td>Via Turnitin and in class to lecturer</td>
<td>Via Turnitin and in class to lecturer</td>
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<tr>
<td>Feedback</td>
<td>Written feedback will be given on the report and verbal feedback will be provided interactively during presentation.</td>
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<tr>
<td>Estimated student workload (hours)</td>
<td>20 hours</td>
<td>30 hours</td>
<td>30 hours</td>
<td>10 hours</td>
<td>90 hours</td>
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<tr>
<td>Learning outcomes assessed:</td>
<td></td>
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<tr>
<td>1. Apply the entrepreneurial process model to analyse entrepreneurs’ venture creation.</td>
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<td></td>
<td>10</td>
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<td>10%</td>
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<td>2. Understand and practise idea generation and screening including opportunity analysis trends, feasibility and competitive analysis.</td>
<td>5</td>
<td>5</td>
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<td>10%</td>
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<td>3. Understand the process how to write up feasibility analysis and business plan to launch the new venture successfully</td>
<td>5</td>
<td>5</td>
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<td>10%</td>
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<td>4. Understand the basics of entrepreneurial finance: raising funds,</td>
<td>5</td>
<td>5</td>
<td>5</td>
<td></td>
<td>15%</td>
</tr>
<tr>
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<td>1A. Feasibility Analysis Report (10%) and Presentation (10%) (Group)</td>
<td>1B. Business Plan Report (20%) and Presentation (10%) (Group)</td>
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<td>growth financing, financial evaluation of opportunities, and acquisition financing.</td>
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<tr>
<td>5. Comprehend the issues and tasks involved in setting up a venture, marketing and financing the venture, and evaluating venture performance for growth and sustainability.</td>
<td>5</td>
<td></td>
<td>5</td>
<td></td>
<td>10%</td>
</tr>
</tbody>
</table>

| Graduate capabilities assessed: | | | | | |
| 1. Critical, analytical and integrative thinking | 5 | 5 | | | 10% |
| 2. Problem solving & research capability | | 5 | 5 | | 10% |
| 3. Creative and innovative | | | | 5 | 5% |
| 4. Effective communications | 5 | 5 | 5 | 5 | 20% |
| **Total** | **20%** | **30%** | **30%** | **20%** | **100%** |
ASSESSMENT TASK 1A & 1B: 
Feasibility Analysis and Business Plan for New Venture Creation (50% of total marks)

During the first class you will be assigned to a group of 4 to 5 students. This assessment task consists of two parts, feasibility analysis (20%) and business plan (30%) for new venture creation. Your group should meet at least once a week to follow up the progress of the project. Each group member should participate equally and enthusiastically towards the final write-up of the group report and group presentation. Individual presentation mark will be given according to his/her thorough preparation for presentation. In each part, a group report has to be submitted on the due date. The summary of the report will be presented by the group to the whole class. Allocation of assessment mark for each part can be referred to the Assessment Task Table above.

What product or service should your group consider?

This is entirely up to your group. 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!

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

1A. Feasibility Analysis (20% of total marks) (Due on Week 5)

It is the process of determining if a business idea is viable. As a preliminary evaluation of a business idea, a feasibility analysis is completed to determine if an idea is worth pursuing and to screen ideas before spending resource on them. There are four stages of feasibility analysis needed to be done in this part of assessment such as product/service feasibility, industry/target market feasibility, organizational feasibility and financial feasibility. First Screen (Appendix 1 in this outline) is a template for completing a feasibility analysis. It is called First Screen because a feasibility analysis is an entrepreneur’s initial pass at determining the feasibility of a business idea. If a business idea cuts muster at this stage, the next step is to complete a business plan.

The major issues to consider in each stage of feasibility analysis can be incorporated in the group report (Report Format):
Executive Summary
Table of Content (with page number)
Introduction
A. Product/Service Feasibility Analysis
   1. Product/Service Desirability
   2. Product/Service Demand
B. Industry/Target Market Feasibility
   1. Industry Attractiveness
   2. Target/Market Attractiveness
C. Organizational Feasibility Analysis
   1. Management Prowess
   2. Resource Sufficiency
D. Financial Feasibility Analysis
   1. Total Start-Up Cash Needed
   2. Financial Performance of Similar Businesses
   3. Overall Financial Attractiveness of the Proposed Venture
References
Appendices
   1. Concept Statement (1 page)
   2. Completed First Screen Table

Report and Presentation—each group will present for 15-20 minutes, providing information to the class about your group determination for the viability of a new business idea. Each member will be accessed individually in the presentation. Your group have to draw conclusion whether the new business idea is worth pursuing before spending resource on them. Class colleagues will be invited to critique your ideas. Each group must provide a copy of their slides to the lecturer during the class. If the feasibility analysis is passed, your group can continue to the next phase of venture creation by writing up the business plan.

The Feasibility Analysis Report to be submitted to the lecturer on Week 5 should be between six (6) and eight (8) pages (plus any relevant appendices including the filled First Screen template). Softcopy of the report should be sent to the lecturer via email. Please note that evidence of clear thinking and an appreciation of the process are far more important than the volume of information generated. In general, the structure of this report should incorporate the all criteria listed above in the report format.

1B. Business Plan (30% of total marks) (Due on Week 11)
It is a written narrative, typically 25 to 35 pages long, that describes what a new business plans to accomplish and how it plans to accomplish it. For most new ventures, the business plan is a dual-purpose document used both inside and outside the firm. Inside the firm, the plan helps the company develop a “road map” to follow in executing its strategies and plans. Outside the firm, it introduces potential investors and other stakeholders with the business opportunity the firm is pursuing and how it plans to pursue it.
Your group is required to work together through the semester to build a business plan for a new venture by completing the following tasks based on the Feasibility Analysis Report (First Screen):

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 (from Feasibility Analysis Report - First Screen).

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 or exit strategy for your organisation that provides the maximum value for the initial investors.

The following report format provides a very basic format from the textbook. Students can use the report format generated by Business Plan Pro software.

Outline of the Business Plan (suggested report format from textbook)

- Executive Summary
- Table of Content (with page number)
  1. Introduction
  2. Company Description
  3. Industry Analysis
  4. Market Analysis
  5. Marketing Plan
  6. Management Team and Company Structure
  7. Operations Plan
  8. Product (or Service) Design and Development Plan
  9. Financial Projections
- References
- Appendices
  - Table: Sales Forecast
  - Table: Personnel
  - Table: Profit and Loss
  - Table: Balance Sheet etc

There are many software packages available that employ an interactive, menu-driven approach to assist in the writing of a business plan. Some of these programs are very helpful. In this unit, Business Plan Pro software is being adopted to enhance the skills of business plan writing. Each member should install this software in his/her own notebook and get a lot
practices at home and in tutorials. **At least one member** from each group should bring the notebook to class so that the whole group can use it for group meeting and participate in class work for the business plan writing during the tutorial. There are samples of business plans in the software for your self-learning. Be aware that students cannot copy the content from sample plans. When it is found out, it is considered as plagiarism. The penalty is very serious.

**Report and Presentation**– Groups will be allocated to present between Week 11 and 13 for the highlights of their Business Plans for a maximum of **25 minutes**. Each member will be accessed individually in the presentation. Each group must provide a copy of their slides to the lecturer during the class. Questions and answers will consume a further 5 to 10 minutes. Class colleagues will be invited to critique your ideas. The Business Plan Report to be submitted to the lecturer on Week 11 should be a maximum of **30 pages** (plus any relevant appendices). Softcopy of the report should be sent to the lecturer via email. Please note that evidence of clear thinking and an appreciation of the process are far more important than the volume of information generated. In general, the structure of the Business Plan should incorporate all the criteria listed above in the report format.

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

**Business Plan Competition:**
The winner of the best group business plan will be encouraged to enter the business plan competition organised by University of Queensland. [http://www.enterprize.uq.edu.au/](http://www.enterprize.uq.edu.au/)

**Other competition:**
The GSEA (Global Student Entrepreneur Awards) is the premier global competition for high school, undergraduate and graduate students who own and operate businesses while attending college or university. Nominees compete against their peers from around the world. Founded in 1998 by Saint Louis University, the GSEA is now an Entrepreneurs’ Organization program. [http://www.gsea.org/Pages/Default.aspx](http://www.gsea.org/Pages/Default.aspx)

**ASSSESSMENT TASK 2:**
**Individual Analysis Report on Chosen Entrepreneur(s) (30% of total marks)**

You are required to do research on the chosen entrepreneur that you would like to study and his/her related companies. You can discuss 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). One suggested way to prepare for this analysis report would be to find a biography or autobiography that you can read from cover- to-cover in preparing this assignment. You can consult your lecturer for confirmation of your choice if you have difficulty.

We do not 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.

By putting all the required information, you have to write a concise, clear and well edited report with your findings and recommend solution for major company issues related to venture creation. The individual report is 3,000 words in length (+/- 10%). You are required to consult and provide full references of your findings or theories/concept. There is no limit on the number of references. You should balance your reference sources from books, edited books, Internet (www), journal articles from the full-text databases, current affairs magazines and newspapers. The use of WIKIPEDIA online encyclopaedia is not allowed because of the anonymous authors. You must use the Harvard referencing style to acknowledge your sources of information (both in-text and as a reference list at the end).

Regarding the analysis report format, you must include:

- Executive summary
- Table of Content with page number
- Introduction
  - description of chosen entrepreneur with name, job title and personality etc
- Company information
  - company background with brief history description, product range, organisational structure/design etc
- Entrepreneurial process
  - Opportunity identification
  - Business concept development
  - Determination of the required resources
  - Acquisition of the necessary resources
  - Implementation of management of venture
  - Harvesting the venture or Exit Strategy
    Note: critical incidents involved in each process step from the six steps model of integrated entrepreneurial process by Morris, Kuratko and Schindehutte (2001) in Week One lecture
- Major company issues with recommendation
- Conclusion
- Reference list

The 3,000 words with +/- 10% limit (2,700 to 3,300 words) include all sections except the Executive Summary (maximum ONE page), Contents Page and the Reference List at the end of the report. The report is due on Week 7. The report must conform to the guidelines for written assessments detailed in this unit outline. This assessment must also conform to rigorous academic standards, especially with regards to referencing.

ASSESSMENT TASK 3
Individual Case Study Analysis (20% of total marks)
Each student will be asked to analyse two case studies from the textbook. There are four questions in each case study. The answers in each analysis report should be between **three (3)** and **four (4) pages** with font size 12 and 1.5 line spacing. Each report is worth 10%.

**Case Study One (Due on Week 9)**
Case 10.2 Zazzle: Will the Company Disappoint or “Dazzle” Its Investors? (Textbook p345-347)

1. So what do you think? Do you think Kleiner Perkins and Sherpalo Ventures made a wise decision investing $16 million in Zazzle? Five years from now, do you think that Zazzle will have disappointed or dazzled its investors? Why?

2. Look at Table 10.2 in the chapter. At the time that Zazzle raised venture capital funding, to what extent did it resemble the ideal candidate for venture-capital funding as stipulated by the materials in the table?

3. Evaluate Jason Ball’s (the blogger) criticism of Kleiner Perkin’s investment in Zazzle. Do you think Ball makes some good points or do you think his arguments are off base? Explain your answer.

4. What do you think is Zazzle’s exit strategy? How will Kleiner Perkin’s and Sherpalo Ventures recoup their investment?

**Case Study Two (Due on Week 12)**
Case 14.1 Cranium: Growing Aggressively But Carefully (Textbook p. 480-482)

1. Would you characterize Cranium as a rapid growth firm? If so, what steps did Cranium take to prudently manage its growth?

2. Prior to its acquisition by Hasbro, Cranium did not acquire any firms itself as part of its growth strategy. Why do you think Cranium avoided this growth alternative? Would mergers and acquisitions be an effective growth strategy for Cranium? Explain your answer.

3. Which one of the growth strategies covered in this chapter do you think represents the most fruitful strategy for Cranium, moving forward? Why?

4. Why do you think Hasbro acquired Cranium? Are you surprised that Tait and Alexander will be leaving the company? Do you think Cranium will become a more popular or a less popular game now that it is a fully owned subsidiary of Hasbro? Explain your answer.

**GUIDELINES FOR WRITTEN ASSIGNMENTS**
All BUS827 assignments submitted for assessment must adhere to the following standards.

1. **Cover Page**
For each of the four assignments, use a cover (or title) page that provides the following information:
(a) your full name and student number;
(b) contact details: email address;
(c) unit code and name (BUS827 – Entrepreneurship and Business Strategy);
(d) assignment number and assignment title;
(e) an exact word count if required—not a guess or approximation—of the number of
words in the body of your assignment. (Use Word’s Tools menu and click on Word
Count.)

2. Presentation of Assignments
Assignments should meet normal academic and professional standards of presentation,
including:
(a) all pages, excluding the cover page, should be numbered;
(b) page margins should be at least 2.5 cm on all four edges and 1.5 line spaced;
(c) assignments should be free of typographical & grammatical errors;
(d) Time New Roman font type and font size of 12 points should be used.
(e) Harvard referencing system should be used.
(f) printed copy of the whole originality report from Turnitin. Do not copy and paste
onto a Word document for printing. It has to be the original printing straight from the
web site.

Any assignment submission not containing the cover sheet and a printout of the
whole Turnitin originality report with similarity percentage and various coloured
sections, will not be marked.

3. Submission Procedures
Besides the hardcopy submission, the student is also required to submit their electronic copy
of assessment to Turnitin via the Internet as part of the submission process for assignment.
Your assignment will then be automatically compared to work of your classmates, previous
students from Macquarie and other universities, with material available on the Internet, both
freely available and subscription-based electronic journals. Before submission, name your
electronic file in a Word document (i.e. not PDF, PowerPoint, etc) with your surname and
student number, e.g., Jones20101309. For group assignment, you can name it with your
company name. To avoid any potential plagiarism issues you or your group can submit the
assignment more than once up to the due date. Please make sure that only one member of
your group can submit the report to Turnitin for plagiarism check. Students must use their
Macquarie University email address as their Turnitin username for logging in the system. The
class password for Turnitin and the instructions to use it will be provided well before the
assignment is due. The deadline for all assignment submission to Turnitin is 23:59 hours
on the day before your class (Tuesday for Semester 1 or Monday/Thursday for Semester
2). However, you should allow at least 3 hours for processing as sometimes the system
can be slow. After successful submission, you have to print out the full Turnitin originality
report with similarity percentage and various coloured sections. Make sure you attach this
extra document (originality report) together with your hardcopy of assignment for
submission during the class time in the due week. Softcopy of the assignment in Word format
has to be sent via email to your lecturer on the same day.

20
Please read the Turnitin Student User Guide which is available in the Blackboard for more information.

4. Late Submissions
Special arrangement has to be made for late submission. It will incur penalties. The standard penalty is a deduction at the rate of 10% of the assignment’s maximum mark for each day late. All requests for extensions must be in writing, fully documented, and be received before the due date. Requests for late submission are generally only acceptable on formal, “certifiable” medical grounds. However, if you have a problem please talk to your lecturer as early as possible. Generally speaking, late submissions attract a significant penalty.

5. Feedback
We will endeavour to mark with marking guides and return assignments within two weeks after the due date so that you can benefit from the feedback.

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

ACADEMIC HONESTY

The nature of scholarly endeavour, dependent as it is on the work of others, binds all members of the University community to abide by the principles of academic honesty. Its fundamental principle is that all staff and students act with integrity in the creation, development, application and use of ideas and information. This means that:

- all academic work claimed as original is the work of the author making the claim
- all academic collaborations are acknowledged
- academic work is not falsified in any way
- when the ideas of others are used, these ideas are acknowledged appropriately.

Further information on the academic honesty can be found in the Macquarie University Academic Honesty Policy at http://www.mq.edu.au/policy/docs/academic_honesty/policy.html

GRADES

Macquarie University uses the following grades in coursework units of study:

HD - High Distinction
D - Distinction
CR - Credit
P - Pass
F - Fail

Grade descriptors and other information concerning grading are contained in the Macquarie University Grading Policy which is available at: http://www.mq.edu.au/policy/docs/grading/policy.html
Grading Appeals and Final Examination Script Viewing

If, at the conclusion of the unit, you have performed below expectations, and are considering lodging an appeal of grade and/or viewing your final exam script please refer to the following website which provides information about these processes and the cut off dates in the first instance. Please read the instructions provided concerning what constitutes a valid grounds for appeal before appealing your grade.


Special Consideration

The University is committed to equity and fairness in all aspects of its learning and teaching. In stating this commitment, the University recognises that there may be circumstances where a student is prevented by unavoidable disruption from performing in accordance with their ability. A special consideration policy exists to support students who experience serious and unavoidable disruption such that they do not reach their usual demonstrated performance level. The policy is available at:

http://www.mq.edu.au/policy/docs/special_consideration/procedure.html

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.

IT Conditions of Use

Access to all student computing facilities within the Faculty of Business and Economics is restricted to authorised coursework for approved units. Student ID cards must be displayed in the locations provided at all times.

Students are expected to act responsibly when utilising University IT facilities. The following regulations apply to the use of computing facilities and online services:

- Accessing inappropriate web sites or downloading inappropriate material is not permitted. Material that is not related to coursework for approved unit is deemed inappropriate.
- Downloading copyright material without permission from the copyright owner is illegal, and strictly prohibited. Students detected undertaking such activities will face disciplinary action, which may result in criminal proceedings.

Non-compliance with these conditions may result in disciplinary action without further notice.

Students must use their Macquarie University email addresses to communicate with staff as it is University policy that the University issued email account is used for official University communication.
Appendix 1

First Screen for Feasibility Analysis (Template)
From “Preparing Effective Business Plans” by Bruce R. Barringer

Part 1: Strength of Business Idea

For each item, circle the most appropriate answer and make note of the (-1), (0), or (+1) score.

<table>
<thead>
<tr>
<th></th>
<th>Low Potential (-1)</th>
<th>Moderate Potential (0)</th>
<th>High Potential (+1)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Extent to which the idea:</td>
<td>Weak</td>
<td>Moderate</td>
<td>Strong</td>
</tr>
<tr>
<td>• Takes advantage of an</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>environmental trend</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Solves a problem</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Addresses an unfilled gap in</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>the marketplace</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Timeliness of entry to</td>
<td>Not timely</td>
<td>Moderately timely</td>
<td>Very timely</td>
</tr>
<tr>
<td>market</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Extent to which the idea “</td>
<td>Low</td>
<td>Medium</td>
<td>High</td>
</tr>
<tr>
<td>adds value” for its buyer or</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>end user</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4. Extent to which the customer</td>
<td>Very satisfied</td>
<td>Moderately satisfied</td>
<td>Not very satisfied</td>
</tr>
<tr>
<td>is satisfied by competing</td>
<td></td>
<td></td>
<td>or ambivalent</td>
</tr>
<tr>
<td>products that are already</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>available</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5. Degree to which the idea</td>
<td>Substantial changes</td>
<td>Moderate changes</td>
<td>Small to no changes</td>
</tr>
<tr>
<td>requires customers to change</td>
<td>required</td>
<td>required</td>
<td>required</td>
</tr>
<tr>
<td>their basic practices or</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>behaviors</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
### Part 2: Industry-Related Issues

<table>
<thead>
<tr>
<th>Low Potential (-1)</th>
<th>Moderate Potential (0)</th>
<th>High Potential (+1)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. <strong>Number of competitors</strong></td>
<td>Many</td>
<td>Few</td>
</tr>
<tr>
<td>2. <strong>Stage of industry life cycle</strong></td>
<td>Maturity phase or decline phase</td>
<td>Growth phase</td>
</tr>
<tr>
<td>3. <strong>Growth rate of industry</strong></td>
<td>Little or no growth</td>
<td>Moderate growth</td>
</tr>
<tr>
<td>4. <strong>Importance of industry’s products and/or services to customers</strong></td>
<td>“Ambivalent”</td>
<td>“Would like to have”</td>
</tr>
<tr>
<td>5. <strong>Industry operating margins</strong></td>
<td>Low</td>
<td>Moderate</td>
</tr>
</tbody>
</table>

### Part 3: Target Market and Customer-Related Issues

<table>
<thead>
<tr>
<th>Low Potential (-1)</th>
<th>Moderate Potential (0)</th>
<th>High Potential (+1)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. <strong>Identification of target market for the proposed new venture</strong></td>
<td>Difficult to identify</td>
<td>May be able to identify</td>
</tr>
<tr>
<td>2. <strong>Ability to create “barriers to entry” for potential competitors</strong></td>
<td>Unable to create</td>
<td>May or may not be able to create</td>
</tr>
<tr>
<td>3. <strong>Purchasing power of customers</strong></td>
<td>Low</td>
<td>Moderate</td>
</tr>
<tr>
<td>4. <strong>Ease of making customers aware of the new product or service</strong></td>
<td>Low</td>
<td>Moderate</td>
</tr>
<tr>
<td>5. <strong>Growth potential of target market</strong></td>
<td>Low</td>
<td>Moderate</td>
</tr>
</tbody>
</table>
### Part 4: Founder- (or Founders-) Related Issues

<table>
<thead>
<tr>
<th></th>
<th>Low Potential (-1)</th>
<th>Moderate Potential (0)</th>
<th>High Potential (+1)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Founder or founders experience in the industry</td>
<td>No experience</td>
<td>Moderate experience</td>
<td>Experienced</td>
</tr>
<tr>
<td>2. Founder or founders skills as they relate to the proposed new venture’s product or service</td>
<td>No skills</td>
<td>Moderate skills</td>
<td>Skilled</td>
</tr>
<tr>
<td>3. Extent of the founder or founders professional and social networks in the relevant industry</td>
<td>None</td>
<td>Moderate</td>
<td>Extensive</td>
</tr>
<tr>
<td>4. Extent to which the proposed new venture meets the founder or founders personal goals and aspirations</td>
<td>Weak</td>
<td>Moderate</td>
<td>Strong</td>
</tr>
<tr>
<td>5. Likelihood that a team can be put together to launch and grow the new venture</td>
<td>Unlikely</td>
<td>Moderately likely</td>
<td>Very likely</td>
</tr>
</tbody>
</table>
### Part 5: Financial Issues

<table>
<thead>
<tr>
<th></th>
<th>Low Potential (-1)</th>
<th>Moderate Potential (0)</th>
<th>High Potential (+1)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Initial capital investment</td>
<td>High</td>
<td>Moderate</td>
<td>Low</td>
</tr>
<tr>
<td>2. Number of revenue drivers (ways in which the company makes money)</td>
<td>One</td>
<td>Two to three</td>
<td>More than three</td>
</tr>
<tr>
<td>3. Time to break even</td>
<td>More than two years</td>
<td>One to two years</td>
<td>Less than one year</td>
</tr>
<tr>
<td>4. Financial performance of similar businesses</td>
<td>Weak</td>
<td>Modest</td>
<td>Strong</td>
</tr>
<tr>
<td>5. Ability to fund initial product (or service) development and/or initial startup expenses from personal funds or via bootstrapping</td>
<td>Low</td>
<td>Moderate</td>
<td>High</td>
</tr>
</tbody>
</table>
**Overall Potential**
Each part has five items. Scores will range from -5 to +5 for each part. The score is a guide—there is no established rule-of-thumb for the numerical score that equates to high potential, moderate potential, or low potential for each part. The ranking is a judgment call.

<table>
<thead>
<tr>
<th>Score</th>
<th>Overall Potential of the Business Idea Based on Each Part</th>
<th>Suggestions for Improving the Potential</th>
</tr>
</thead>
<tbody>
<tr>
<td>(-5 to +1)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Part 1: Strength of Business Idea</td>
<td>High potential</td>
<td>Moderate potential</td>
</tr>
<tr>
<td>Part 2: Industry-Related Issues</td>
<td>High potential</td>
<td>Moderate potential</td>
</tr>
<tr>
<td>Part 3: Target Market and Customer-Related Issues</td>
<td>High potential</td>
<td>Moderate potential</td>
</tr>
<tr>
<td>Part 4: Founder- (or Founders-) Related Issues</td>
<td>High potential</td>
<td>Moderate potential</td>
</tr>
<tr>
<td>Part 5: Financial Issues</td>
<td>High potential</td>
<td>Moderate potential</td>
</tr>
<tr>
<td>Overall Assessment</td>
<td>High potential</td>
<td>Moderate potential</td>
</tr>
</tbody>
</table>

**Summary**—briefly summarize your justification for your overall assessment: