

# Entrepreneurship and New Ventures

394: Professional Linkage Seminar: Entrepreneurship  
Northwestern BIP - Winter Quarter 2012

**Instructor: David Schonthal**

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**Class Meetings** Tuesday evenings from 6-9 PM

**Class Location** University Hall Room 102

**Office Hours:** Wednesday afternoons from 4-6 PM or by special appointment

**Required Reading:** [The Art of the Start](#)\* by Guy Kawasaki

[The Lean Startup](#)\* by Eric Ries

[Entrepreneurship: Successfully Launching New Ventures](#) by Barringer and Ireland (*minimum of 1 text book per team – any edition of the book will do*)

[Venture Deals](#) by Brad Feld and Jason Mendelson

\* = To be read **before** the first day of class

## Course Introduction

This class is designed to expose you to many of the critical elements fundamental to becoming a successful entrepreneur. It will be taught from the perspective of the business world - not the perspective of the classroom, and will feature several outside speakers including local entrepreneurs, industry experts and investors.

The course will leverage the multidisciplinary backgrounds of the students in the class and will emphasize the importance of cross-functional thinking when building a new business or designing a new product. In the spirit of most successful ventures this course will also emphasize the importance of working in teams to solve problems and deliver against challenging objectives and timelines.

This class will *not* provide you with everything they need to run out and start your first business. It will, however, highlight fundamental components of high-growth entrepreneurship and offer you a solid step in the right direction.

Starting a business is difficult, all consuming and the odds are stacked against the entrepreneur. As such, this class will also be difficult and time consuming, but for those of you who are considering starting your own business or going into a related field it might just be one of the most enjoyable and rewarding classes you take.

## Course Schedule

Week	Topics	Assignment
<b>1</b>  <b>1/10</b>	<b>Evaluating a Business Idea</b> <ul style="list-style-type: none"><li>• “Will the Dogs Eat the Dog Food?”</li><li>• Compelling Value Propositions</li><li>• The Elements of a Good Model</li><li>• Elevator Pitches</li></ul>	<b>Required Reading:</b> <ul style="list-style-type: none"><li>• <u>The Art of the Start</u> (<i>Entire Book</i>)</li><li>• <u>The Lean Startup</u> (<i>Entire Book</i>)</li></ul> <b>Optional Reading:</b> <ul style="list-style-type: none"><li>• Article: <i>Finding Competitive Advantage in Adversity</i> by Bhaskar Chakravorti</li></ul>

<p><b>2</b></p> <p>1/17</p>	<p><b>Product Development I</b></p> <ul style="list-style-type: none"> <li>Identifying Barriers to Entry</li> <li>Competitive Analysis</li> <li>Human-Centered Product Development</li> <li>“Smoke Tests”, Prototyping and MVPs</li> <li>Design Thinking</li> <li>Market Research Phase I</li> </ul>	<p><b>Required Reading:</b></p> <ul style="list-style-type: none"> <li><i>Entrepreneurship</i> (Skim Chapters 2 &amp; 3)</li> </ul> <p><b>Optional Reading:</b></p> <ul style="list-style-type: none"> <li>Article: <i>The Innovator’s DNA</i> by Christiansen, Dyer and Gregersen</li> <li>Article: <i>Strategies to Crack Well-Guarded Markets</i> by Dyer and Bryce</li> </ul>
<p><b>3</b></p> <p>1/24</p>	<p><b>Product Development II</b></p> <ul style="list-style-type: none"> <li>Market Segmentation</li> <li>Competitive Advantage</li> <li>Business Model Design Session I</li> </ul>	<p><b>Required Reading:</b></p> <ul style="list-style-type: none"> <li><i>Entrepreneurship</i> (Chapters 5 &amp; 6)</li> </ul> <p><b>Optional Reading:</b></p> <ul style="list-style-type: none"> <li>Article: <i>How Startups Have Changed the Way American Business Thinks</i> by Richard Florida</li> <li>Article: <i>Designing Breakthrough Products</i> by Roberto Verganti</li> </ul>
<p><b>4</b></p> <p>1/31</p>	<p><b>Business Planning</b></p> <ul style="list-style-type: none"> <li>Market Entry</li> <li>Dimensions of Business Excellence</li> <li>Market Research Phase II</li> <li>Building Your Management Team</li> <li>Founders’ Issues and Challenges</li> </ul>	<p><b>Required Reading:</b></p> <ul style="list-style-type: none"> <li><i>Entrepreneurship</i> (Chapters 4 &amp; 9)</li> </ul> <p><b>Optional Reading:</b></p> <ul style="list-style-type: none"> <li>Article: <i>When Every Customer is a new Customer</i> by Cool and Paraniakis</li> <li>Article: <i>The Half-Truth of First Mover Advantage</i> by Suarez and Lanzolla</li> </ul>
<p><b>5</b></p> <p>2/7</p>	<p><b>Financial Planning and Modeling</b></p> <ul style="list-style-type: none"> <li>Forecasting and Modeling</li> <li>Key Financial Metrics</li> <li>Unit Economics</li> <li>Company Capitalization</li> <li>Valuation and Exits</li> </ul>	<p><b>Required Reading:</b></p> <ul style="list-style-type: none"> <li><i>Entrepreneurship</i> (Chapters 8 &amp; 10)</li> <li><i>Venture Deals</i> (Chapters 1, 8 and 10)</li> </ul> <p><b>Optional Reading:</b></p> <ul style="list-style-type: none"> <li>Article: <i>How Venture Capital Works</i> by Zider and Varian</li> <li>Article: <i>The Way Companies Are Getting Financed is Completely Changing</i> by Pascal-Emmanuel Gobry</li> </ul>

<p><b>6</b></p> <p><b>2/14</b></p>	<p><b>Marketing and Sales</b></p> <ul style="list-style-type: none"> <li>• Presentation Overview</li> <li>• Customer Acquisition and Retention</li> <li>• Branding and Marketing Tactics</li> <li>• Business Model Design Session II</li> </ul>	<p><b>Required Reading:</b></p> <ul style="list-style-type: none"> <li>• <i>Entrepreneurship</i> (Chapter 11)</li> </ul>
<p><b>7</b></p> <p><b>2/21</b></p>	<p><b>Operations and Problem Solving</b></p> <ul style="list-style-type: none"> <li>• Operations Planning</li> <li>• Strategic Partnerships</li> <li>• Contractors and Service Providers</li> <li>• Customer Support and QA</li> <li>• Identifying and Managing Risk</li> </ul>	<p><b>Required Reading:</b></p> <ul style="list-style-type: none"> <li>• <i>Entrepreneurship</i> (Chapter 13 &amp; 14)</li> </ul> <p><b>Optional Reading:</b></p> <ul style="list-style-type: none"> <li>• Article: <i>The Founder's Dilemma</i> by Anthony Tjan</li> </ul>
<p><b>8</b></p> <p><b>2/28</b></p>	<p><b>Legal Matters</b></p> <ul style="list-style-type: none"> <li>• Company Structure</li> <li>• Protecting Your Ideas and Intellectual Capital</li> <li>• Responsibilities and Obligations</li> <li>• Term Sheets and Deal Structuring</li> <li>• Due Diligence Preparation</li> <li>• Selecting an Attorney</li> </ul>	<p><b>Required Reading:</b></p> <ul style="list-style-type: none"> <li>• <i>Entrepreneurship</i> (Chapters 7 &amp; 12)</li> <li>• <i>Venture Deals</i> (Chapters 2, 3 and 13)</li> </ul>
<p><b>9</b></p> <p><b>3/6</b></p>	<p><b>Presenting Your Business to Investors</b></p> <ul style="list-style-type: none"> <li>• Fundraising Strategy</li> <li>• What Happens Next?</li> <li>• Resources for Entrepreneurs</li> <li>• “Dry Run” Presentations for Peer Review</li> </ul>	
<p><b>10</b></p> <p><b>3/13</b></p>	<p><b>Final Project Presentations</b></p> <p><b>Review Panel: Members TBD</b></p>	