



Warrington
College of Business Admin.

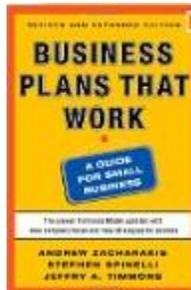
ENT4114 New Venture Planning
SPRING 2012 – Module 3

Section: T/TH ; MAT Rm. 108, 11:45pm – 1:40pm
Instructor: R. Scott Livengood, Ph.D.
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Office Hours: T/TH 10:00am – 11:00am and also by appointment.

* When sending e-mail, please type “ENT4934-5416” in the “Subject” line and indicate the purpose of your e-mail. E-mails with blank or unclear subject lines may be quarantined or deleted.

Required Texts:

Zacharakis, Andrew, Spinelli, Stephen, and Timmons, Jeffrey A.; Business Plans That Work, 2nd Edition, ISBN 0071748830.



Content material is also provided through posted PowerPoint slides.

Course Overview:

Entrepreneurs are driving a new era of global transformation and growth. However, before they can turn ideas into thriving enterprises, they have to craft a business plan that crystallizes and legitimizes those ideas as opportunities for key stakeholders, including both the management team and potential investors. There are many very good reasons for preparing a business plan including:

- clearly demonstrating the prospects for the business to potential investors and to potential key employees the firm is trying to hire,
- making the case for potential strategic partners that partnering with the firm will advance the prospects of both enterprises, and
- motivating and focusing the management team.

This is not an exhaustive list; there are other similarly good reasons. But by far the most important reasons for preparing a business plan are: to obtain financing and to mitigate avoidable risk.

For purposes of obtaining financing, then, a business plan is a selling document designed to convince potential stakeholders that your venture can and will become a thriving enterprise. It is in essence the ante to the funding game. It is expected by potential stakeholders that the management team will have thoughtfully and analytically considered all aspects of the venture - the market, competition, the business model, and the value proposition, for example. The plan, as

a documentation of this process, affords the potential stakeholder an opportunity to evaluate the management team’s thinking and to judge the viability of the prospects for the enterprise.

As a tool for avoiding those risks that can be avoided, the plan is a thorough, rigorous, and realistic process of examining and documenting your business to: identify all potential risks, to segregate those risks into that group that is systemic (for which you can do nothing) and that group that can be either avoided or limited, and finally to develop strategies to overcome the avoidable ones. Certain risks are inherent in the conduct of any business, indeed any activity, and cannot be avoided. Other risks, however, can be reduced by careful planning and rigorous execution. A case can be made, although arguable, that accepting risk that can be avoided is in any business a certain prescription for long term failure. It makes sense, therefore, to develop strategies to eliminate, or at least mitigate, such risks.

Countless books have been written on business plan formation. Software of many varieties is available to guide the development of business plans. All of these embody various versions of templates for a business plan. This should suggest that there is no standard for plan templates. We will examine the key elements that facilitate the presentation of a venture idea, and we’ll synthesize a template in this course that comprises a full discussion of these key elements and organizes them into a compelling presentation in the form of a plan.

Course Purpose and Objectives:

1. Learn what constitutes and how to prepare a commercial grade business plan.
2. Explore who the business plan is written for and why – identifying your customers.
3. Define and examine what to include (and not to include) in a business plan and why.
4. Recognize, discuss, and define ways to avoid common pitfalls in creating a business plan.
5. Examine effective ways to present a business plan to stakeholders.
6. Learn to work effectively in a team setting

Grading:

Elevator Pitch	5%
Quizzes	20%
Team Plan Presentation	20%
Team Business Plan	50%
Doing Good & Having Fun	5%

The Warrington College of Business Administration at the University of Florida is a top educational institution. As such a grade of ‘A’ should reflect work that could be described as outstanding, exceptional, or excellent. Good work will receive a grade of ‘B’. Work that is considered average or adequate will receive a ‘C’. No one should be doing work that is below that level.

The University of Florida grading policy is specified below:

Passing Grade	A	A-	B+	B	B-	C+	C	C-	D+	D	D-	S
Grade Points	4.0	3.67	3.33	3.0	2.67	2.33	2.0	1.67	1.33	1.0	.67	0

Note: The degree-granting college may require a minimum grade of C in particular courses.

Failing Grades and Grade Points

Failing Grade, Zero Grade Points, Counted in GPA	E	WF	I	NG
Grade Points	0	0	0	0

Non-Punitive Grades and Grade Points

Non-Punitive Grade, Zero Grade Points, Not Counted in GPA	W	H	I*	N*	U
Grade Points	0	0	0	0	0

The grading distribution for this course is as follows:

> 99	A+	87-89	B+	77-79	C+	67-69	D+
93-99	A	83-86	B	73-76	C	63-66	D
90-92	A-	80-82	B-	70-72	C-	60-62	D-
						< 60	F

Any grades you receive during the semester may or may not be curved, where applicable, and at the discretion of the instructor. Final grades are not necessarily rounded.

Team Considerations:

To avoid misunderstandings, teams should set expectations in the first team meeting, assign roles and duties, and hold each other accountable for performance on a weekly basis. Most team issues can be handled within the team.

It is expected that all group members will contribute equally to the group project and presentation. I anticipate administering peer evaluations to each member of the group as well as providing my own individual grade. **Thus, each student's grades from group work will be a combination of my and your peers' grades.**

Class Participation & Attendance:

I expect you to attend and be well prepared for each class, having completed the assignments ahead of time. I expect each student to play an active role in class discussion. If all class members prepare for and actively participate in each class discussion, we will all learn more from each other and enjoy the course more. In addition, those that make consistent, meaningful contributions to class discussions will receive higher class-participation grades. Although a separate grade for participation and attendance is not given, it will be included as part of your quiz scores, meaning that grades on those assignments could be adjusted based on your presence and participation in class (or lack thereof).

Only **documented**, serious medical emergencies or personal issues that are provided to the instructor in a **timely** fashion (preferably before class) will be accepted as an excuse for missing class. Per University of Florida policy, students will not be penalized in any way for participation in religious observances and that, whenever feasible, will be allowed to makeup academic assignments that are missed due to such absences. However, the student must personally hand the instructor a written notification of the projected absence within two weeks of the start of the semester. The request should not include travel time. Please contact me before

class when an absence is expected. You must submit assignments before that assigned class begins to get partial credit and quizzes must be made up within 48 hours of the class you missed.

Course Assignments

Elevator Pitch (5%)

Entrepreneurs often have opportunities to describe their business venture ideas. However, those opportunities are usually brief and as such, the attention of the audience needs to be captured quickly and effectively. Each team member will have the chance to conduct an elevator pitch – lasting 45 to 60 seconds – during the course. As the business idea will and should evolve over time, each member's elevator pitch should be different from class to class. A sign-up sheet will be distributed during the second day of class and any changes should be agreed to prior to the day of presentation.

Daily Quizzes (20%)

At the beginning of each class session, a short, 5-question quiz based on the textbook reading for that day will be administered. In your future occupation in the business world, the importance of showing up to meetings and appointments on time and prepared should not be overlooked. Preparation includes reading the assigned materials and pondering the concepts contained therein in order to actively and effectively participate in the class session. As this class is designed to prepare you to become future business leaders, these quizzes are designed to help you practice these principles.

Team Plan Presentation (20%)

Each team will make a presentation for approximately 15-20 minutes followed by 5-10 minutes of questions and answers, which is designed to give you experience presenting to potential stakeholders of your burgeoning organization. I expect each team member to participate in the presentation. Your goals in the presentation will be to (1) convince investors (your fellow classmates) to invest their money in your company, (2) fairly state your company's ability to capitalize on a perceived opportunity, and (3) demonstrate your consideration of and plans to mitigate potential risks. I find that giving a presentation often helps me organize and improve the logical flow of the business plan and as such, feedback given through the presentation process can be very helpful in the business plan creation process.

Team Business Plan (50%)

Each team will complete a professional-grade business plan that covers all the major sections highlighted throughout the course. I expect all team members to contribute equally to the business plan and each team member will receive the same grade for the plan (pending peer evaluations). As such, although team members will specialize in certain areas of the plan, all team members are responsible for the plan as a whole. Further instructions regarding the contents and grading criteria of the plan will be given throughout the course.

Doing good and having fun (5%)

At some point of your choosing during the module, you will be required to do good and have fun. Doing good can involve serving others or participating in community service projects (see the Center for Leadership and Service website at <http://www.leadershipandservice.ufl.edu/> for some possible ideas). Having fun might involve doing something you've never done before, or

can be a hobby or something you enjoy doing frequently. A brief (1-page) memo for each doing good and having fun activity describing what was done and your thoughts and feelings about the activity will be required by the last day of class discussion (see syllabus for exact due date).

Other Considerations

Academic Integrity:

Assignments and presentations must be your own work, in your own words. Using outside materials is generally acceptable as long as you clearly identify the source. The key point is to make clear which ideas and text were developed by you or your group members, and which came from others. False or fabricated information is unacceptable and academic dishonesty cheapens the value of your degree and undermines the quality of your education. The integrity of your deliverables and presentations should meet the highest standards, whether as a student, consultant, or manager. Even singular and isolated lapses of ethics, integrity, or professionalism have had devastating consequences on careers.

Students are encouraged to discuss course material, exchange ideas, collaborate, and cooperate with others in the class where appropriate. New ideas often arise from such interactions. While collaboration and brainstorming are thus encouraged, you need to always keep clear what value you have added, separate from the ideas of others. Academic dishonesty, as defined by university policy, will not be tolerated in any form. Activities that constitute academic dishonesty in this course include, but are not limited to:

- (1) copying text passages verbatim or paraphrasing those passages in your assignments without referencing the original source (including from the Internet)
- (2) consulting those who have already taken this course about assignments before they are due
- (3) working with others on individual assignments
- (4) working with non-team members on team assignments.

You are not allowed to share written or electronic notes, outlines or "key points" in anticipation of completing written assignments. Deliverables that are judged to be substantially similar in content will be submitted to University procedures.

The Honor Code: We, the members of the University of Florida community, pledge to hold ourselves and our peers to the highest standards of honesty and integrity.

Pledge: On all work submitted for credit by students of the University of Florida, the following pledge is either required or implied: "On my honor, I have neither given nor received unauthorized aid in doing this assignment."

Please note that violations of this Academic Honor System will not be tolerated. Specifically, I will rigorously pursue incidents of academic dishonesty of any type. Before submitting any work for this class, please read the policies about academic honesty at <http://www.dso.ufl.edu/judicial>, and ask me to clarify any of its expectations that you do not understand.

Accommodations for Students with Disabilities:

The University of Florida provides high-quality services to students with disabilities, and you are encouraged to take advantage of them. Students with disabilities needing academic accommodations should 1) Register with and provide documentation to Disability Resources

(<http://www.dso.ufl.edu/drp/>), and 2) Bring a letter to the instructor from this office indicating that you need academic accommodations. Please do this within the first week of class.

Inclement Weather Policy or National/State/City Emergencies

In the event of inclement weather (e.g. hurricanes) or other emergencies (e.g. security), you should check the campus web site <http://www.ufl.edu> to learn whether the campus is open or closed. You can also listen to the radio or TV for University of Florida closing announcements. Classes will always be held as scheduled unless the university has cancelled classes. Check the course Sakai website for any announcements about inclement weather and class cancellations. If you feel the weather poses too much of a threat for you to attend class, use your best and safest judgment. If you are unable to attend class, please email or phone the professor to inform him that you will not be in class. Similarly, in the event of a city/state/national emergency, please follow the same instructions.

Of Interest

- Please be prompt for class and plan to stay the entire period.
- Please refrain from using laptops or other electronic devices during class.
- Lecture notes/slides and related documents will be posted on Sakai. It is your responsibility to print them out if needed.
- Late individual and group projects will not be accepted.
- Final grades will not be changed except for a computational error.
- This is a dynamic setting. Changes to the course may occur during the semester. I welcome and expect your feedback in creating a superior course.
- The role of the teacher is to create an atmosphere conducive to learning and to give students the best opportunity to succeed.
- The role of the student is to be open to the opportunity to learn.

PROPOSED CLASS SCHEDULE

Please note: as we progress, adjustments may be made to the schedule.

Session	Topic	Assignment
Jan 10	Course Introduction Preview course goals and content	<i>Read Course Syllabus</i> <i>Come with venture idea</i>
Jan 12	Entrepreneurship & Opportunities	<i>Read Chapter 1 of textbook</i> <i>Quiz #1</i> <i>Confirmation of venture ideas</i>
Jan 17	Business Planning Introduction Business Plan Section Summary – Management Team	<i>Read Chapter 2 of textbook</i> <i>Read Chapter 8 of textbook</i> <i>Quiz #2</i>
Jan 19	Business Plan Section Summary – Getting Started Student Elevator Pitches Venture Idea Spotlight	<i>Read Chapter 3 of textbook</i> <i>Quiz #3</i> <i>Group assignments completed</i> <i>Venture Idea Summary Due</i>
Jan 24	Business Plan Section Summary – Industry Analysis/Company & Product Student Elevator Pitches Venture Idea Spotlight	<i>Read Chapter 4 of textbook</i> <i>Read Chapter 5 of textbook</i> <i>Quiz #4</i>
Jan 26	Business Plan Section Summary – Marketing Student Elevator Pitches Venture Idea Spotlight	<i>Read Chapter 6 of textbook</i> <i>Quiz #5</i>
Jan 31	Business Plan Section Summary – Operations & Critical Risks Student Elevator Pitches Venture Idea Spotlight	<i>Read Chapter 7 of textbook</i> <i>Read Chapter 9 of textbook</i> <i>Quiz #6</i>
Feb 2	Business Plan Section Summary –Financials Student Elevator Pitches Venture Idea Spotlight	<i>Read Chapter 10 of textbook</i> <i>Quiz #7</i>
Feb 7	Business Plan Section Summary – Dehydrated Business Plan/The Pitch Student Elevator Pitches Venture Idea Spotlight	<i>Read Chapter 11 of textbook</i> <i>Quiz #8</i>
Feb 9	Ethical issues	<i>Doing good/Having fun due</i>
Feb 14	Plan Presentations	
Feb 16	Plan Presentations, cont.	
Feb 21	Final Business Plan Deadline: 4 pm	<i>Completed Business Plan due</i>

Note: As we progress through the course, it may prove necessary to make adjustments to the schedule. You will be notified in advance of any changes.

APPENDIX 1: FREQUENTLY ASKED QUESTIONS

Team Formation

- **Do I need to be part of a team before I enroll in class?** No. If you have a partial/complete team you are welcome to enroll.
- **Do I need to have a business idea to enroll in ENT4934?** No. However, if you do - great!
- **How do teams form? Will I be assigned to a team?** I do not assign members to teams. You are encouraged to be proactive to meet and identify potential team members.
- **How many people compose a team?** An effective group size is from 4 to 6 members.

Team Dynamics

- **What roles are in each team?** Traditionally, each team will have a CEO, CFO, COO, CMO, Controller, and CHRO (or their equivalent). These roles remain unchanged throughout the class. Pick the role that best reflects your interests/strengths.
- **What if my team becomes dysfunctional?** One of the key attributes of a successful venture is a strong team that can work through their problems together. Be selective in choosing your teammates and be prepared to work through difficult issues.
- **What if one of my teammates is not "pulling his/her weight"?** Try to resolve it within your team. If the situation continues, please approach me. Final grades will also reflect individual participation and contribution.

Grading

- **Does everyone in the team get the same grade?** Not necessarily. Individual participation and contribution – as judged by team members – is also considered.
- **What kind of feedback can I expect?** A final grade will be assigned at the end of the class. Throughout the class, I will monitor assignments/deliverables. When possible, substandard quality work will be immediately brought to your attention.
- **Can I take this class Pass/NoCredit?** No. Letter grade only.

Business Plan

- **What are the key milestones and deadlines?** Please check the class schedule.
- **Who will see my Business Plan?** Only I will have access to your Business Plan.
- **How long should the Business Plan be?** Use your judgment. Be concise. Unusually long Business Plans will quickly lose the audience's interest.
- **Will prior Plans be available as templates?** Because readings and slides are sufficient, I do not place past business plans on reserve as samples. Confidentiality is another reason. In addition, I prohibit the use of business plan software to automatically write the plan through a "fill-in-the-blank" approach.

Intellectual Property

- **Who owns the intellectual property developed in the Business Plan?** The Intellectual Property belongs to the team as a whole. If the company is working with a University of Florida related technology (i.e. either research from one of the team members or a UF patent), the students are highly encouraged to discuss with the UF Office of Technology & Licensing (OTL) to better understand what licensing and royalties terms would be applicable.

- **If I feel my idea / Business Plan may become a real company, what should I do?** The primary goal of the class is to teach you the process of business planning, not to start actual companies. However, if you feel your idea may become real, discuss Intellectual Property rights with your team from the beginning.
- **Will my Intellectual Property rights be protected when I discuss my ideas with the class?** You must be prepared to share your ideas openly with the class. It is a forum for you to "bounce" your ideas off your peers. I can also refer teams to work with legal counsel on founding team issues and IP protection if this is deemed necessary.
- **What if I feel that my idea will be the "next killer app" and I don't want others to know my plans?** If such is the case, ENT4934 may not be the appropriate means for you to develop your business idea.