BAEP 552: Feasibility Analysis
Monday & Wednesday 12:30 p.m. to 1:50 p.m.
JKP 112

Fall 2017 SYLLABUS
Version 1.0

BAEP 552 is a three-unit Business Entrepreneurship Course for graduate students. For the Fall 2017 course, there are no course prerequisites.

Steven Mednick
Associate Professor of Clinical Entrepreneurship
Academic Director, Graduate Programs, Lloyd Greif Center
Lloyd Greif Center for Entrepreneurial Studies
Fertitta Hall, Fifth Floor
USC Marshall School of Business

Phone: 949.838.5894 (mobile) Preferred
E-mail: steven.mednick@marshall.usc.edu

Individual appointments – I am happy to schedule an individual meeting with you. Please speak with me during class or contact me either by mobile phone or email to schedule.

PURPOSE:

This course provides students with an insight as to how entrepreneurs and corporate entrepreneurs (collectively, “entrepreneurs”) think. Entrepreneurs are not risk takers—they are risk managers. Feasibility Analysis is the process by which they assess and manage risk. Feasibility Analysis is a combination of first taking an idea and turning it into a business concept. That concept is then tested to assess the market risks, the distribution risks, the perceived value of the customer benefits, the proof of product/service risks, the user risks, the location risks, the technology risks, the geography risks and finally the financial risks. Inherent in any new venture analysis are the people resources required and their availability.
The Entrepreneur Program encourages students to approach this course by using it as background for becoming an entrepreneur or, in their own career choices, to be able to deal with the recognition, evaluation and exploitation of opportunities in on-going companies large and small. Our primary goal is to help you create a successful venture or to become part of the entrepreneurial team managing an emerging business.

Understanding the structure of starting and growing a company is an all-encompassing format for understanding an entrepreneurial career. It touches all the relevant issues—but there is more to entrepreneurship than passion, desire, and perseverance. Entrepreneurs have a unique mindset, a way of looking at things that are opportunity-focused and creative. It is about passion—doing what you love. It is about creating value. It is about independence and responsibility. In addition, it is about challenge, risk management, persistence, and the ability to innovate—to improve on the old or invent the new while creating customer value. It is our hope that this course will not only provide you with the entrepreneur’s toolkit, but it will also foster this entrepreneurial mindset within you.

Entrepreneurship is not about a single person and it is not about creating an entity from scratch. Entrepreneurship extends its reach to all forms and type of individuals and companies who seek to create value—regardless of whether it is a lifestyle business or an international conglomerate.

This is not a “spectator” course. You will be actively researching, testing and crafting a comprehensive Feasibility Analysis based upon an initial business concept of your choosing. Your Feasibility Analysis may either explore the launch of a new business entity or the launch of a new business entity distinct from an existing corporate entity that leverages the corporate entity's assets, market position, capabilities or other resources. Consequently, you are required to undertake a significant amount of work outside of class. By taking this course, you are agreeing to complete all of the assignments in a timely fashion without excuse. By taking this course, you are setting your entrepreneurial journey in motion.

This course is the essence of The USC Entrepreneur Program.

MAJOR COURSE THEMES:

1. Introduction: What is feasibility? How is it practiced? Entrepreneurial thinking.
2. Industry Knowledge: The first critical step.
3. Market Assessment: Knowing the customer.
4. Distribution: How to get to the customer and how to deliver a customer benefit.
5. Benefit Assessment: Benefits vs. features. What drives customers to buy from YOU?
6. People Resources: Going from “me” to “we.”
7. Proof of Product or Service: Delivering on the promise. It does what you say it does.
8. Location, Geography and Governmental Assessment: Enablers and showstoppers.

COURSE DESCRIPTION:

This course entails the development of analytical and conceptual skills required to test the feasibility of a business concept in the market. It requires students to undertake primary field research, develop and think critically about a business concept, answer fundamental questions
about strategic, marketing, financial, operational, and human resource issues. Consequently, the course workload is quite heavy – but it is YOUR work.

This course is very robust and begins with the assumption that you have chosen to make this journey. Each week there will be an assignment that will be most meaningful and educational if you place yourself in the position of an entrepreneur about to conduct feasibility on launching a venture. Balance has been struck in the scheduling and grading of assignments.

**LEARNING OBJECTIVES:**

<table>
<thead>
<tr>
<th>Importance</th>
<th>Objective</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Important</strong></td>
<td>Gaining factual knowledge (terminology, classifications, trends)</td>
</tr>
<tr>
<td><strong>Important</strong></td>
<td>Learning fundamental principles, generalizations, or theories</td>
</tr>
<tr>
<td><strong>Essential</strong></td>
<td>Learning to apply course materials (to improve thinking, problem solving, critical thinking and decisions)</td>
</tr>
<tr>
<td><strong>Important</strong></td>
<td>Developing specific skills, competencies, and points of view needed by professionals in the field most closely related to this course</td>
</tr>
<tr>
<td><strong>Important</strong></td>
<td>Acquiring skills in working with others as a member of a team</td>
</tr>
<tr>
<td><strong>Important</strong></td>
<td>Developing skill in expressing oneself orally and in writing</td>
</tr>
<tr>
<td><strong>Important</strong></td>
<td>Learning how to find and use resources for answering questions or solving problems</td>
</tr>
<tr>
<td><strong>Important</strong></td>
<td>Developing a clearer understanding of, and commitment to, personal values</td>
</tr>
</tbody>
</table>

**SEMESTER PROJECTS:**

There are two major and nine minor projects to be completed during the semester as well as writing a comprehensive Final Feasibility Analysis and a Strangers’ Log. You will also participate in a pitch contest judged by angels. These exercises are most meaningful if engaged as real-world feasibility analysis. **Projects may be done individually or in teams of no more than three (3) students.** Team projects receive a single grade for all submitted assignments, including the Final Feasibility Analysis. However, team members will be individually assessed for participation, bonus presentations, concept pitch and the final pitch contest. **Each team member must individually pitch his or her concept.**

This class is highly structured but will change if faculty discerns that students or conditions indicate the need to change. Student desires and backgrounds are considered. Special projects are encouraged, upon approval. Your expectations are important!

**EXCEPT FOR THE FINAL FEASIBILITY ANALYSIS, LATE WORK WILL LOSE 10% of the POINTS for each week it is late.** After the third week, you will not receive faculty feedback. **Please submit all assignments in hard copy in class and to Blackboard prior to class.** Outstanding and past due assignments **must be submitted individually by no later than November 27, 2017 by 12:30 pm in order to receive credit.**

**FINAL FEASIBILITY ANALYSIS LATE PENALTY:**

A different and separate penalty schedule applies to the Final Feasibility Analysis as follows: **The Final Feasibility Analysis in hard copy is due in class by 12:30 p.m. on Monday, November 27.** A 5% penalty of your grade will be deducted for your Analysis submitted after 2:15 p.m. on the day the Analysis is due. **An additional 5% daily penalty will apply for each day thereafter until your**
Analysis is submitted in hard copy (and recorded by Greif Center staff) at the Greif Center. Your Analysis must also be posted to Blackboard.

GUESTS:

From time to time we will have guests. You are expected to greet them at the beginning of class. They will be prompt. We never wish to have late arrivals but especially so when we have guests. Please also check with us about availability for office hours just before our speakers’ dates.

CLASS ATTENDANCE:

The entrepreneur program is a real-life experience and as such expects real world professionals. The motto is “treat each other as you would a customer.” Therefore, tardiness and absences without notice are not acceptable. If you have a customer meeting, you will be on time. If you cannot be on time, you will call well in advance. Similar etiquette is required in this program.

PROJECT PRESENTATIONS:

Up to two students will be asked to present various assignments and projects. Please sign-up on Blackboard if you would like to volunteer. All students should prepare a two-page PowerPoint (“PPT”). Bring the PPT on a memory stick to class if you are presenting. Maximum 50 bonus points (two presentations) unless pre-approved by the professor in advance.

GOTOs:

At least one analysis for the “Good of the Order.” This concept is to encourage you to share the contacts you make as you learn the industry. Articles, etc. are appropriate for this class. Your presentation must be in the form of a PPT covering the person, how you learned of them, how you made contact, what you wanted to learn, what you learned and what the hand off or next scheduled action is. Maximum 25 bonus points.

READINGS AND CASE STUDIES:

Readings and Case Studies are contained in a course reader available at the bookstore. Readings are an important part of the learning process. Our knowledge and our perceptions come in a variety of ways. Certain beliefs are from our environment. Perceptions are what we learn by personal observation and experience. A final portion of our understanding is learned through the experiences of others. Reading academic articles is a way to share in the research done by others. Several readings are included to offer background on certain entrepreneurial phenomena and as the basis for classroom discussion.

Complete the readings and be prepared to discuss the cases on the date assigned. Students will be asked to present case material and lead class discussion on a weekly basis.

PROJECT RELEVANCY AND DIFFICULTY:

Grading weight will be given to the difficulty of the project undertaken. A simple project designed to build a lifestyle business is easier to research and assess the feasibility as compared to a complex
multi-operational, technology based firm. The weighted factor will be assigned when the working concept has been approved.

STRANGER’S DIARY:

Feasibility 552 is a “do it” course. **As a student in 552, you have signed up for an intensive boot camp experience in entrepreneurship or corporate entrepreneurship.** A high portion of your training comes from you exploring your industry to recognize opportunities that can be exploited. To do that requires you contact many people you do not now know. These strangers hold the key to unlock the information you need.

Keeping data on these contacts and recording the value of these strangers should now be part of your mindset. They will make a difference in your success and failure in life. They are the difference in grading in this class. Your diary of strangers is a pivotal part of the grading of this class. The diary must cover the entire semester and contain a minimum of 25 strangers. **It is due on Monday, November 27 along with your Final Feasibility Analysis. Please bind your Strangers’ Log at the back of your Final Feasibility Analysis.**

To receive full credit for the assignment (250 points), Strangers’ diaries must include:
1. Name of the stranger
2. Company/title
3. Date of meeting
4. One to two sentences stating what you learned from this stranger

COURSE READER:

The Course Reader will be available in digital form to save you money. It should be available soon. Here are the instructions:

**Directions to Purchase Course Materials**

**NOTE:** Please be sure you are permanently enrolled in the class before purchasing.

There are **NO REFUNDS** on course readers.

To purchase your course reader online, please follow these instructions:
- Click on “Place an order”
- If you are a new customer, click Continue and fill out the required information
- If you are a returning customer, log-in with your E-mail address and password and click Sign-in
- Once on the main page, select the term and click on the DEPT from the “AREAS” section

Options:
- Purchase EZ-Digital Reader or EZ-Hard Copy Reader (all options may not be available)
- **EZ-Digital Reader** – Students download a PDF of all the course reader readings for the course.
- **EZ-Hard Copy Reader** is a spiral bound collection of the printed articles for the course. If you choose this option, you will also be given access to
download a PDF file so that you will have access to your materials for the first 15% of the reader. This will ensure that you can start reading your material while your reader is being shipped. Click “Buy Now!”

- Click “Add to Cart”
- Verify your contents and click “Checkout”
- Choose your preferred method if purchasing an EZ-Reader: Home Delivery, Express Saver, 2 Day Air, or Pickup, in which we will hold it for you at the bookstore and notify you when it’s ready to be picked up.
- Fill in your credit card information; if your billing address is different from your mailing address, click on “Change Address”; click on “Continue”
- To view your purchase, click on “My Account”
- To start downloading your content, click on the corresponding red Adobe icon, where you will be able to download, view, save, and print your material.

**Keep the following in mind**

- Each time you download a file, you will be instructed to input your password.
- It is advised to save each file on your computer

If you need further assistance or have any questions, please contact us at 800.934.9313 or info@ucpreaders.com

---

**ACADEMIC STANDARDS AND DISABILITY ACCOMMODATIONS:**

The University community consisting of faculty, students and administration is dedicated to high ethical standards. Every person at USC has an inherent responsibility to uphold the principles of academic integrity. Students are expected to understand the Academic Integrity guidelines in SCampus.

Any student requesting academic accommodations based on a physical, psychological or learning disability is required to register with Disability Services and Programs (DSP) each semester. A letter of verification for approved accommodations can be obtained from DSP. Please be sure the letter is delivered to us as early in the semester as possible (by the second week of the semester). DSP is located in STU 301 and is open from 8:30 AM to 5 PM, Monday through Friday. The telephone number for DSP is (213) 740-0776.

**CONFIDENTIALITY POLICY:**

Throughout the Entrepreneur Program’s classes and events, students will be exposed to proprietary information from other students, guest lecturers and faculty. It is the policy of The Entrepreneur Program that all such information is to be treated as confidential.

By enrolling in and taking part in The Entrepreneur Program’s classes and activities, students agree not to disclose this information to any third parties without specific written permission from students, guest lecturers or faculty, as applicable. Students further agree not to utilize any such proprietary information for their own personal commercial advantage or for the commercial advantage of any third party.
In addition, students agree that any legal or consulting advice provided without direct fee and in an academic setting will not be relied upon without the enlisted opinion of an outside attorney or consultant, without affiliation to The Program.

Any breach of this policy may subject a student to academic integrity proceedings as described in the University of Southern California University Governance Policies and Procedures as outlined in Scampus, and to the remedies that may be available at law.

The Entrepreneur Program, the Marshall School of Business and the University of Southern California disclaim any responsibility for the protection of intellectual property of students, guest lecturers or faculty who are involved in The Entrepreneur Program classes or events.

Receipt of this policy and registration in our classes is evidence that you understand this policy and will abide by it.

STATEMENT ON ACADEMIC CONDUCT:

USC seeks to maintain an optimal learning environment. General principles of academic honesty include the concept of respect for the intellectual property of others, the expectation that individual work will be submitted unless otherwise allowed by an instructor, and the obligations both to protect one’s own academic work from misuse by others as well as to avoid using another’s work as one’s own (plagiarism). Plagiarism – presenting someone else’s ideas as your own, either verbatim or recast in your own words – is a serious academic offense with serious consequences. All students are expected to understand and abide by the principles discussed in the Scampus, the Student Guidebook (USC Scampus). A discussion of plagiarism appears in the University Student Conduct Code (section 11.00 and Appendix A).

Students will be referred to the Office of Student Judicial Affairs and Community Standards for further review, should there be any suspicion of academic dishonesty. The Review process can be found at: USC Student Judicial Affairs and Community Standards. Failure to adhere to the academic conduct standards set forth by these guidelines and our programs will not be tolerated by the USC Marshall community and can lead to dismissal.

Plagiarism – presenting someone else’s ideas as your own, either verbatim or recast in your own words – is a serious academic offense with serious consequences. Please familiarize yourself with the discussion of plagiarism in Scampus in Part B, Section 11, “Behavior Violating University Standards”. Other forms of academic dishonesty are equally unacceptable. See additional information in Scampus and USC policies on scientific misconduct.

SUPPORT SYSTEMS:

USC Emergency Information - USC Emergency
If an officially declared emergency makes travel to campus infeasible, USC Emergency Information will provide safety and other updates, including ways in which instruction will be continued by means of blackboard, teleconferencing, and other technology.

The Office of Disability Services and Programs – (213) 740-0776
The Disability Services and Programs (DSP) office provides certification for students with disabilities and helps arrange the relevant accommodations. Any student requesting academic accommodations based on a disability is required to register with DSP each semester.

**Student Counseling Services (SCS) - (213) 740-7711 – 24/7 on call**
Free and confidential mental health treatment for students, including short-term psychotherapy, group counseling, stress fitness workshops, and crisis intervention. Go to: USC Engemann Student Health Center Website

**National Suicide Prevention Lifeline - 1-800-273-8255**
Provides free and confidential emotional support to people in suicidal crisis or emotional distress 24 hours a day, 7 days a week. Go to: National Suicide Prevention Lifeline

**Relationship & Sexual Violence Prevention Services (RSVP) - (213) 740-4900 - 24/7 on call**
Free and confidential therapy services, workshops, and training for situations related to gender-based harm. Go to: USC Engemann RSVP Services

**Sexual Assault Resource Center**
For more information about how to get help or help a survivor, rights, reporting options, and additional resources, visit the Website: Sexual Assault Resource Center

**Office of Equity and Diversity (OED)/Title IX compliance – (213) 740-5086**
Works with faculty, staff, visitors, applicants, and students around issues of protected class. Go to: Office of Equity and Diversity Website

**Bias Assessment Response and Support**
GRADING:

Class Participation  Please see below*  150

Strangers’ Diary  Must be kept for entire semester  250
and include a minimum of 25 strangers.
[Include, name, address, company, date
of meeting and what was discussed and learned.]

Major Projects  Proof of customer segments  400
Financial feasibility  200  600

Final Project  Final Feasibility Analysis  1000

Minor Projects  In-class concept statement exercise August 30  100
Industry trends and drivers  100
In-class value proposition hypothesis Sept. 27  50
Customer segments grid  100
Customer segments test  100
Concept statements  100
Establishing initial product/service price  100
Establishing financial premises  100
60 second pitch participation  100  850

Not Graded  Declare an area of interest
Test Driving Your Business Start

Total Points  2,850

Bonus opportunities  GoTos  25
Two Project presentations (25 points each)  50
Concept Statement Pitch October 11  25
60 second pitch class semi-finalists  25
60 second pitch class finalists  25

Class participation*
150 points – student is highly engaged in class on a weekly basis contributing insightful questions
and thoughts.
100 points – student is moderately engaged in class on a periodic basis and occasionally contributes
insightful questions and thoughts.
50 points – student is somewhat engaged in class contributing obvious questions and thoughts.
0 points – student does not contribute in class.
COURSE DELIVERABLES:

Please refer to the assignment grade sheets posted on Blackboard for individual assignment requirements.

Due: August 30

**In-class concept statement development and presentation (100)**

This in-class project is conducted in teams of three students selected in class. The assignment consists of two parts: (1) evaluation of the team members’ individual ideas (“opportunity recognition”) and the selection of the best concept to pitch in class; and (2) for the selected concept, the development of the key elements of a business model (see below). At this stage, you will tell us “what you think” rather than “what you know.”

Written deliverable due prior to the group concept statement presentation.

Due: September 6

**Declare an area of interest assignment (not graded)**

Prepare a not to exceed two (2) pages, typed, double-spaced, summary that shares your interest in a particular area: technology, real estate, entertainment, distribution etc. The paper should state why you are interested in this area, what aspect you see yourself in (sales, invention etc.) and what experience, if any, you already have in this or a related area.

Due: September 18

**Industry trends and drivers (100)**

The areas of greatest interest to entrepreneurs are industries in flux: areas of chaos and opportunity. Define the industry trends occurring in the industry of interest to you. Also, what are the industry drivers effecting the trends? Three pages, typed, double-spaced.

Due: September 25

**Customer Segments Grid (100)**

Prepare a concept grid listing all of the alternative customer segments you are considering, the means by which you will reach each of your potential customers and the benefits (for your value proposition) you will transfer to them. In the fourth column list your primary competitor(s).
Value Proposition Hypothesis (50), In-class assignment
For each customer segment you have defined in your Customer Segments Grid assignment, describe what value you will deliver. Which one of our customer segment’s problems are you helping to solve? Which customer needs are your satisfying? What “bundles of products and services” are you offering to each customer segment?

Customer Segments Test (100)
Prepare a paper, which may be in outline form and/or in part in the form of a questionnaire that first lists your target customer base and then the questions you would prepare to validate the critical elements of your concept. Indicate how you would test the basis for your customer buy decision in favor of your product or service over the alternative available.

Note: this assignment works in conjunction with Proof of Customer where you will use the questions generated from this assignment to actually receive feedback from potential customers, suppliers, distributors, competitors, service provides, etc.

Due: October 9

Concept Statements (100)
The work done in your Working Concept Statement was a broad statement of all of the potential opportunities available to you. This Concept Statement should be a result of your meeting with strangers and your increasing knowledge of the industry.

Articulate in one paragraph your concept and the underlying business model.

You must create three separate concepts.

Due: October 23

Establishing Initial Product/Service Price (100)
Determining the pricing of your product or service is perhaps the single most difficult challenge facing a start-up venture. Yet it is often left to the competition to set your price.

To begin this challenge, prepare a cost estimate of the service or product you are delivering. Now determine the cost of your distribution channel. Together they represent your delivered cost. The final set of columns is what value the market will place on your offering. How does this compare to the competition value, distribution and pricing? Somewhere in this grid is your correct initial pricing.

Due: October 30

Establishing Financial Premises (100)
For the Timeline, prepare a sequence of events from today to the successful running of your new company outlining as many of the major milestones as you envision.
In your financial premises detail the basis for the premises you have made or are making in building your model of how your business operates. These should include the critical elements that will be reflected in your ultimate financial statements and cash flow, for example, timing of cash payments by your customer and yourself. Using the time line of action created, prepare the list of expenditures and expenses needed to execute your concept.

Due: November 8

Proof of Customer Segments (400)
To be successful in establishing your new venture requires intimate knowledge of your potential customer. You need to know their needs and their buying process. Many successful firms have been launched using the customer in hand approach wherein the first sale was actually the basis of starting the firm. The purpose of this project is to define your initial target customers and design a process and to get actual feedback from them on their benefit needs and why and how they buy.

Due: November 13

Financial Feasibility (200)
In the long run, ventures succeed and fail on their financial basis. You will prepare a financial feasibility for your concept that will contain the key financial elements discussed in class. A separate hand out will be given in class outlining the elements of financial feasibility.

For this assignment, you are to prepare a Profit & Loss Statement, Cash Flow Statement, and at least two variations of your Cash Flow Statement. A three-year forecast is required for each statement. Year 1 should be presented monthly. Years 2 & 3 may be presented quarterly. You are also required to present a Financial Feasibility conclusion discussing in detail whether or not your concept is financially feasibility for you. Also, include all prior financial assignments per the grade sheet.

Due: November 27

Major Project - The Final Feasibility Analysis (1000)
The feasibility analysis is the culmination of all of your work. It is your most important output but is never seen in the public. It is the pillars that hold the structure together. The quality of the work you have done will have more to do with your success and failure than any other set of actions you take. The Final Analysis must be submitted in class in hard copy only. No electronic submissions will be accepted. Concurrently, post to Blackboard.

Strangers’ log (250) [Please insert in the back of your Final Feasibility Analysis.] Feasibility 552 is a “do it” course. As a student in 552, you have signed up for an intensive boot camp experience in entrepreneurship. A high portion of your training comes from you exploring your industry to recognize opportunities that can be exploited. To do that requires you contact many people you do not now know. These strangers hold the key to unlock the information you need.
Keeping data on these contacts and recording the value of these strangers should now be part of your mindset. They will make a difference in your success and failure in life. They are the difference in grading in this class. Your diary of strangers is a pivotal part of the grading of this class. The diary must cover the entire semester and contain a minimum of 25 strangers. Submit your Stranger’s Log with your Final Feasibility Analysis.

Due: November 27/29

60 Second Pitch (100)
Now that your Feasibility Analysis has been completed, you have an opportunity to pitch your concept to business angels and to your classmates. Why are you pitching your concept in class? Because, your ability to verbally articulate your concept in forty-five seconds or less to potential investors, bankers, customers, suppliers, distributors and others is critical to your success moving forward. Good luck and enjoy!
BAEP 552 - Feasibility Analysis

Week 1 – Course Introduction

Monday:

Class discussion:
Introduction to BAEP 552
Introduction to the Entrepreneur’s Feasibility Funnel
Syllabus & course expectations

Student presentations: Why are you taking this course?

Wednesday:

Steve Jobs: “How the Apple 1 computer was born.” Launching with a customer in hand.


Readings/class discussion:
HBR article: Design Thinking
HBR article: How to Design a Winning Business Model
HRR article: Why the lean Start-up Changes Everything

WEEK 2 – Concept Statement Development and Presentation

Monday:

Guest: Vanessa Dew, CSO/Co-Founder, Health-Ade LLC

Wednesday:

Preparing for your first assignment: Area of Interest – see deliverables

Class discussion:
Opportunity recognition
Concept Statement development

In class exercise: Concept development and presentation

This in class project is conducted in teams of four students selected in class. The assignment consists of two parts: (1) evaluation of the team members’ individual ideas (“opportunity recognition”) and the selection of the best concept to pitch in class; and (2) for the selected concept, the development of the key elements of a business model (see below). At this stage, you will tell us “what you think” rather than “what you know.”
Written deliverable due prior to the group concept statement presentation. This in-class assignment is worth 100 points. You must be present in class to earn the 100 points.

Please organize your paper as follows:

- Provide the names of all group members on your paper and email the final version to steven.mednick@marshall.usc.edu.
- Systematically (but concisely) discuss each team member’s opportunity based upon your team’s criteria. Briefly explain your criteria. Select one opportunity that you believe has the highest potential and explain why this opportunity was selected over the others.
- Craft an initial business concept statement for the selected opportunity setting forth the following elements:
  - Product/service
  - Target customer
  - Distribution channel (how you will reach your customer)
  - Customer benefits
  - Revenue model

The ideal concept statement is written as a single paragraph with each element above given one sentence.

Your group will present your concept statement in class.

---

**WEEK 3 – Industry Attractiveness and Trends**

**September 4/6**

**Monday:**

Labor Day. No class.

**Wednesday:**

**Assignment due:** Area of Interest

**Student presentations:** Area of Interest

**Class discussion:**

The Final Feasibility Analysis
Final Analysis – crafting your Scope of Research

**Readings:**

HBR case: *Steven B. Belkin*
USC case: *Surf Air Takes Flight*
Marshall MBA Feasibility Analysis *Blookie (for reference only)*
WEEK 4 – Opportunity Creation, Customer Behavior

Monday:

Guest: Kimberly E. Esser, Business Information Specialist, Crocker Business Library, USC Marshall School of Business

Class discussion:
Industry research
Primary & secondary research
Interactive opportunity recognition
Customer definition

Upcoming assignments:
Customer Segments Testing
Proof of Customer Segments

Wednesday:

GOTO Sharing Strangers: Students

Reading/class discussion:
HRB case Ingvar Kamprad & IKEA

Preparing for next week: Industry trends and drivers assignment

WEEK 5 - Defining Your Customer and Your Customer Needs

Monday:

Assignment due: Industry Trends and Drivers

GOTO Sharing Strangers: Students

Student presentations: Industry Trends and Drivers

Class discussion:
Where is your customer taking you?
Markets & Customers
  Identifying your beachhead market and end user profile
  Calculating your Total Addressable Market

Wednesday:

GOTO Sharing Strangers: Students

Class discussion:
Developing a Customer Segments Grid
WEEK 6 - Testing the Customer’s Needs; Risks

Monday:

Assignment due: Customer Segments Grid

GOTO Sharing Strangers: Students

Student presentations: Customer Segments Grid

Class discussion:
People, location, governmental & technology risks
Customer Segments Test leading to Proof of Customer Segments

Wednesday:

Guest: Bart Greenberg, Pivotal Law Firm, Common Entrepreneur Mistakes

WEEK 7 - Refining Your Concept; Proof of Product/Service

Monday:

Assignment due: Customer Segments Test

Student presentations: Customer Segments Test

Class exercise:
Value Proposition Hypothesis – in this exercise you will brainstorm on why your customers will buy from you – i.e., what customer problem are you solving or what customer need are you filling?

Written deliverable due prior to the end of class. This in-class assignment is worth 50 points.

Wednesday:

GOTO Sharing Strangers: Students

Class discussion:
Crafting a concept statement – 3 variations required
Competition through distribution
Competition through benefit
Proof of product/service – delivering on the promise to the customer. How will you validate?
WEEK 8 – Pitching Your Concept

**Monday:**

**Assignment due:** Concept Statements

**GOTO Sharing Strangers:** Students

**Student Concept Statement pitches (all students):** Concept Statement pitch (25 bonus points. Must pitch to earn the bonus points.)

**Wednesday:**

**GOTO Sharing Strangers:** Students

**Class discussion:** Proof of Product

**Presentation:** New Venture Financial Landscape

WEEK 9 – Establishing Initial Price; Assessing Resource Needs

**Monday:**

**GOTO Sharing Strangers:** Students

**Class Discussion:**
Establishing initial price for your product/service
Building a benefit list

**Wednesday:**

**GOTO Sharing Strangers:** Students

**Class discussion:**
Creating a culture
Selection of others
Assessing capability and adaptability
Going from “me” to “we”
Mentors & advisors
The “virtual” enterprise
Employees vs. independent contractors
WEEK 10 – Developing Premises; Forecasting Sales; E Sales

Monday:

Assignment due: Establishing Initial Product/Service Price

Student presentations: Establishing Initial Product/Service Price

Class discussion:
Forecasting Sales
Developing Premises
Premises vs. assumptions
Crafting a time line for success with premises
Proof of Customer Segments final questions

Wednesday:

GOTO Sharing Strangers: Students

Class discussion:
Entrepreneurial Sales

Reading/class discussion:
Stanford Graduate School of Business case Scalix Corporation: The Evolution of a Sales Model

WEEK 11 – Financial Feasibility

Monday:

Assignment due: Establishing Financial Premises

Student presentations: Establishing Financial Premises

Class discussion:
Preparing for Test Driving Your Business Start
Profit & Loss Statement
Cash Flow Statement
Sensitivity analysis
Sales forecast
Entrepreneur’s bet

The Test Driving Your Business Start assignment and blank spreadsheets posted on Blackboard. This ungraded assignment will be discussed in class November 6th.
Wednesday:

GOTO Sharing Strangers: Students

Financial feasibility
   Ingredients of financial feasibility
   Review of the financial feasibility grade sheet

Sensitivity analysis/Final conclusion

WEEK 12 – Financial Feasibility  November 6/8

Monday:

Assignment due: Test Driving Your Business Start

GOTO Sharing Strangers: Students

Class discussion:
Cash Flow Exercises
   Test Driving Your Initial Business Start
   Electronic “What If”

*Test Driving Your Business Start is an ungraded assignment and does not require submission. The exercise is used to help you prepare your Financial Feasibility.

Wednesday:

Assignment due: Proof of Customer Segments

Student presentations/class discussion: Proof of Customer Segments

Class discussion:
Final preparation for financial feasibility
All previous feasibility elements

WEEK 13 – Crafting Your Final Feasibility Analysis  November 13/15

Monday:

GOTO Sharing Strangers: Students

Assignment due: Financial Feasibility

Student Presentations: Financial Feasibility
Class discussion:
Financial feasibility final questions
Crafting a Feasibility Analysis
  Scope
  Section conclusions
  Overall conclusion
  Concept statement

Wednesday:

Class discussion:
The 60 Second Pitch
How to pitch your business concept?
Pitch elements
What makes a good pitch?
Pitch examples

WEEK 14 – Fieldwork/Thanksgiving
November 20/22
Thanksgiving holiday; crafting your Final Feasibility Analysis and interviewing strangers.

WEEK 15 – Pitch contest/Course wrap-up
November 27/29
FINAL FEASIBILITY ANALYSIS
STRANGERS’ LOG
60 SECOND PITCH CONTEST

Monday:

Assignments due Monday, November 27: Final Feasibility Analysis & Strangers’ Log
Assignment due Monday & Wednesday: 60 Second Pitch Contest

Student presentations: Final Feasibility Analysis

Monday/Wednesday:

60 Second Pitch Contest – 100 participation points
[Must pitch to receive points.]

Guests: Institutional angels TBA

Judges’ feedback
Course Review
## Marshall Graduate Program Learning Goals

### How BAEP 552 Contributes to Marshall Graduate Program Learning Goals

<table>
<thead>
<tr>
<th>Marshall Graduate Program Learning Goals</th>
<th>Degree of Emphasis (1=Low, 2=Moderate, 3=High)</th>
<th>BAEP 553 Objectives that support this goal</th>
</tr>
</thead>
</table>
| **Learning Goal #1:**  
Our graduates will be impactful leaders who lead with integrity and purpose. | | |
| 1.1 Possess a clear framework and commitment to an organization’s culture and core values, with personal integrity. | 3 | X |
| 1.2 Transcend traditional boundaries with a global mindset, drawing value from diversity and inclusion, and fostering community within and outside of organizations. | 2 | X |
| 1.3 Exhibit exceptional self-awareness through understanding of personal and career goals; awareness of individual strengths and weaknesses; and engagement in personalized, goal-driven, and lifelong learning. | 3 | X |
| **Learning Goal #2:**  
Our graduates will be impactful leaders who help identify and execute opportunities in uncertain and complex business environments. | | |
| 2.1 Apply an integrated approach to understanding and analyzing significant business problems, which can be complex, messy, unstructured, and beyond formulaic analysis. | 3 | X |
| 2.2 Use critical and analytical thinking to identify viable solutions that can create short-term and long-term value for organizations. | 3 | X |
| 2.3 Devise creative, sustainable, and achievable strategies and solutions that allow organizations to take advantage of opportunities that create value for its stakeholders. | 2 | X |
| **Learning Goal #3:**  
Our graduates will be impactful leaders who achieve results by fostering collaboration on interpersonal, team, and organization levels. | | |
| 3.1 Influence and motivate and work with colleagues, partners, and other stakeholders to achieve organizational purposes | 3 | X |
| 3.2 Help build and sustain high-performing teams by infusing teams with a variety of perspectives, talents, and skills and aligning individual success with team success and with overall organizational success | 3 | X |
| 3.3 Lead and participate in helping organizations adapt to a changing business landscape. | 3 | X |