



BAEP 453

Venture Management

@ *the world famous* Leavey Library (LVL room 13)

Tuesday 6:00 TO 9:20pm

Fall 2015 Syllabus (8/20/15)

Michael Napoliello

Office: Bridge Hall 1 basement (BR1)

Coaching Hours: Tuesday 4:00 – 5:45 and Wednesday 2:30 – 3:45

I am happy to set an individual meeting with you. Please contact me by email (Napoliel@marshall.usc.edu) to schedule.

INTRODUCTION & COURSE OBJECTIVE

Take your entrepreneurship to the next level!

In this course you will discover the many issues, challenges and opportunities that come-up in early to mid stage ventures. You will gain an understanding of what it takes to start and lead a venture to sustainability and possible exit. Students will work in teams to actually launch a product or service – this course is not a “**spectator**” course...

This is a competitive class and all students should be prepared to participate in business activities that involve real world, life and business situations. All participants must understand a significant time commitment outside of class required by the structure of the class

Be prepared to get out into the real world and **Get Dirty**.

ABOUT THE INSTRUCTOR

I am a lifelong entrepreneur who loves teaching. The company I co-founded in my college dorm, U.S. Marketing & Promotions (sold to Omnicom), is currently the leading promotional marketing agency in the country. I am also a movie producer and board member at **Radar Pictures**, known for hit films such as “The Last Samurai,” “Spring Breakers,” and “Riddick.” I am passionate about helping you succeed.

LEARNING OBJECTIVES

In this course, you will develop your conceptual and practical knowledge of launching and **managing a startup enterprise**.

Specifically, you will:

1. **Develop** an understanding of the differences between an initial idea and testing a valid concept.
2. **Explore** the “go-to-market” process.
3. **Improve** your business models and how they evolve to meet the realities of the marketplace.
4. **Master** Customer Development critical value to your venture.
5. **Expand** your awareness of bootstrapping a start up and getting market and customer feedback.

In addition, this course also provides an opportunity for you to develop your **personal capabilities**. Specifically, you will improve your analytical, communication, and sales skills.

To achieve these objectives, a combination of methods will be used in the course, including lectures, problem-solving exercises, case studies, projects, and Living Cases...

Living Cases bring amazing GUEST SPEAKERS to the class. You will have the opportunity to meet and learn from real world pros!

REQUIRED MATERIALS

Everyone should come prepared to discuss and apply the assigned readings – this is part of your participation grade.

Read:

- ***Make Your Mark (MYM): The Creative’s Guide to Building a Business with Impact:*** Edited by Jocelyn K. Gleib, http://www.amazon.com/Make-Your-Mark-Creatives-Building/dp/1477801235/ref=sr_1_1?ie=UTF8&qid=1436294982&sr=8-1&keywords=make+your+mark

Review:

- ***Business Model Generation (BMG):*** Alexander, et al: http://www.amazon.com/Business-Model-Generation-Visionaries-Challengers/dp/0470876417/ref=sr_1_1?ie=UTF8&qid=1436295120&sr=8-1&keywords=business+model+generation

These above are also available at the USC and public libraries (a great way to save money – and entrepreneurs should always be thinking about ways to save money!)

Website:

- www.launchpadcentral.com

Readings:

Additional readings may be assigned.

CLASS SUMMARY

ASSIGNMENTS & GRADING

Below find the list of key assignments. Feel free to ask for clarification on any point.

<i>Assigned</i>	DUE	ASSIGNMENT	POINTS
<i>Aug 25</i>	Sept 8	Sell Yourself: Personal Branding*	150
<i>Sept 1</i>	Sept 15	Transformation Exercise	150
<i>Sept 1</i>	Sept 22	Class Branding	150
<i>Sept 15</i>	Sept 22	Bootstrapping Paper	100
<i>Sept 8</i>	Sept 29	Founders' Agreement	100
<i>Sept 15</i>	Oct 27	LPC Update (Validation/Lessons Learned)	150
<i>Aug 25</i>	Nov 17	Entrepreneur's Tool Box (pass/fail)*	150
<i>Aug 25</i>	Dec 1	NEW CONTACT LOG	300
<i>Aug 25</i>	Dec 1	Thank You Emails and LinkedIns (10 pts. each; max. 10)	100
<i>Sept 8</i>	Dec 1	"Big 3" Mini-Challenge*	500
→	Ongoing	Participation/ Reading Discussion/ Attendance Grade	150
		TOTAL FOR CLASS	2000
POSSIBLE BONUS POINTS			
<i>Aug 25</i>	TBD	GOTO Presentations	50
<i>Sept 1</i>	TBD	Devise-A-Lesson (Sign-up Now!)	100
→	Sept 29	Class Branding Finalists / Champion Announced	25/50
→	Dec 1	"Big 3": Top 3 Bonus	25/50/100

* Grader must be included with assignment

PLAN & SPEAKERS

Subject to change via posting and in-class announcements (another reason why not to miss class!)

Week 1

August 25

Agenda

- Opening Comments: On Profit
- Why “Mechanic Mike”
- The keys to 453 success
- Introduce Text & Advisory Board Sessions

Be prepared to discuss:

- What are your 453 aspirations?!

New Assignment(s)

- Entrepreneur’s Tool Box
- GOTOs
- New Contact Log (value of “weak connections”)
- “Thank You” Emails & LinkedIn
- Sell Yourself: Personal Branding



Advisory Board Sessions: If you are currently working on a start-up, you will have a chance to utilize the class as an “advisory” board to discuss your challenges and opportunities.

Week 2

September 1

Agenda

- *Dynamic Founding Mode* (a new way to manage for growth) – the “no Business Plan plan!”
- Concepting (Part 1): Ideas that Matter
- “Flash Foresight”
- The “Thiel Exponent”
- Branding Your Concept

Be prepared to discuss:

- Questions from Last Class
- Reading (MYM):
“Launching Ideas that Will Change the World.”
“Solving Real Problems.”

New Assignment(s)

- Class Branding
- Transformation Exercise
- Devise-A-Lesson

Guest Speaker

- Garrett Davis



(Time Permitting)

Week 3

September 8

Agenda

- Concepting (Part 2): From Idea to MVP
- “Getting one thing right”
- Markets (TAM/SAM/TM) Defined
- Mature Markets to “Thiel Monopolies”
- A “Teal” Perspective on Competition

Be prepared to discuss:

- Reading (BMG): Section 1

New Assignment(s)

- “Big 3” Mini-Challenge
- Founders’ Agreement

Due

- Sell Yourself: Personal Branding

Week 4

September 15

Agenda

- Customer Development (Part 1):
- Best Practices
- The Customer Hypothesis/Validation
- Key Customer Development Questions & 4 Steps
- The Customer as Partner (Pivot)

Be prepared to discuss:

- Reading (MYM):
"Treating Your Users Like Collaborators."

New Assignment(s)

- LPC Update (Validation/Lessons Learned)
- Bootstrapping Self Study

Due

- Transformation Exercise

Guest Speaker

- Michael Chasalow (USC Law Professor): Legal & Practical Issues on Forming Teams

Week 5

September 22

Agenda

- Funding: Sweat Equity & Beyond
- Bootstrapping Boot Camp
- VC Myths & Realities (decks that sell!)
- Why teams are so important!
- Cash Flow

Due

- Class Branding
- Bootstrapping 10 point paper

Guest Speaker

- TBD: Ron Miller, StartupEngine.com (Crowdfunding)

Week 6

September 29

Agenda

- Customer Development (Part 2):
- Customer as Partner (revisited)
- Supplier as Partner
- You can negotiate anything!
- "Class Satisfaction Survey"
- CLASS BRANDING CHAMPIONS ANNOUNCED

Due

- Founders' Agreement



Devise-A-Lesson: Leadership Teams



Discussion to improve class going forward.

Guest Speaker

- Eric Futoran, Co-Founder, Scopely



scopely

Week 7

October 6

ROAD TRIP: Behind the Scenes (details TBD)

Week 8

October 13

Agenda

- Product Development: Lean & Mean
- Minimizing COGS
- Marginal Cost Approach vs. Marginal Value*
- Extension & Diversification
- Leveraging the Competition

Be prepared to discuss:

- Reading (MYM):
“Getting One Thing Right”

* A Mechanic Mike original.

Guest Speaker

- Cory Esptein, Founder

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Week 9

October 20

Agenda

- Sales & Marketing:
- Consultative Selling and your “Wheelhouse”
- How to Get the Meeting!
- The Power of Storytelling (why it works)
- The “Hail Mary” (revisited)
- The PR Advantage
- The value of “getting a no”



Week 10

October 27

Agenda:

- Managing in *Dynamic Founding Mode* (Part 1):
- Mission
- Your First Employee(s)!
- Leadership & People Matters
- Organization & Systems (“There are no BEST systems”)
- Will *Dynamic Founding Mode* plug into a Holocratic future?
- How to get out of “Meeting Hell”

Be prepared to discuss:

- Reading (MYM):
“Getting Rid of ‘Reluctant Manager Syndrome.’”

Due

- LPC Update (Validation/Lessons Learned)



Devise-A-Lesson: Using Technology

Week 11

November 3

Private Team Meetings with Mechanic Mike to Prepare for Big 3

Note: Will meet in our classroom. See Mechanic Mike for your Team's meeting start time.

Week 12

November 10

Agenda

- Managing in *Dynamic Founding Mode* (Part 2):
- Customer Service is Your Disruption (even your accounting department)
- Bullet Proofing Your Pitch
- Best Presentations (examples)
- End Games (Exits) & IPOs

Be prepared to discuss:

- Reading (MYM):
“Acting (and Listening) Like a Human Being

Guest Skyper

- TBD: Aaron Dignan (Responsive.org)



Devise-A-Lesson: Winning Financials

Week 13

November 17

Agenda

- The Entrepreneurial Job Hunter
- A note on “Radical Careering”
- “Contributions not Credentials”

Be prepared to discuss:

- Your Job Hunting Dreams & Concerns
- Class ?s for Mini-Challenge Presentations

Due

- Entrepreneur's Toolbox



Week 14

November 24

Agenda

- Pre Thanksgiving: Coaching Sessions Available:
If not scheduled, NO CLASS, have a great Thanksgiving

Happy Thanksgiving!



Week 15

December 1

Agenda

- Final Comments

Due

- New Contact Log
- Thank You Emails & LinkedIns
- “Big 3” Mini Challenge Presentations!

Now... Start Something Great!

CLASS ASSIGNMENT INSTRUCTIONS

SELL YOURSELF: PERSONAL BRANDING

In 60 seconds you will share with us your WHO/WHAT/WHOM/WORKING-ON – be creative & impactful. You can use props, make a video. Look at yourself as a brand and share your value proposition and importance to others as why you would make a great teammate.

- **Who your Are** – Describe what makes you, you – what are your strengths & passions.
- **What You know** – What do you do better than others, what kind of business & entrepreneurial experience do you possess – what domain do you dominate.
- **Whom You Know** – Who in your network would be invaluable to support a new venture.
- **Working-On** – (you should always have something cooking!) – What is your current entrepreneurial initiative.

TRANSFORMATION EXERCISE

2 PAGE MAX

You and your *assigned partners* will identify an enterprise or industry that can achieve transformative benefits through the innovative application of technology (i.e., Uber with taxis) or decommodification (i.e., Starbucks with coffee). Your paper should * identify a product or service you will transform * briefly explain your rationale * bullet point how you will go about making the changes * briefly outline major challenges and anticipated results.

CLASS BRANDING WORKSHOP

Must get assignment in class!

BOOTSTRAPPING STUDY AND PAPER

Research “bootstrapping” best practices and list (bullet point) your top 10 ideas for financing a business in this manner. Once to two sentence each point. **1 PAGE MAX.**

FOUNDER’S AGREEMENT

After exploring the different types of entities and best practices for forming your company, your team will execute an agreement to include the form/type of business entity appropriate for your venture, as if you were going forward in real time. All parties should sign your Co-Founders’ Agreement. The agreement must describe formation, ownership, firings, dissolution and any additional information needed to run your business. Try to take into account any and all issues that may arise and make sure it is relevant to your teams’ venture.

LPC UPDATE

You have been in the “Customer Discovery” mode for the past weeks and your team has been logging your Customer Segment Hypothesis and Experiments. An evaluation will be made of your findings/lessons learned as they relate to your pivot/iteration or VALIDATION (ultimate validation is revenue/contracts)!

TOOL BOX

You will have been presented a wide array of key insights (“tools”) that can help you on your entrepreneurial journey from experts, first-hand field experience, and in-class discussion... From this, you will create your own **Entrepreneur’s Toolbox** featuring the **top 10** best practices you believe are key to your success.

1 PAGE PAPER

Bullet point your 10 Tools and provide a 1-sentence rationale for each.

2:00 PRESENTATION

Present to the class your top 3 tools – be creative, use props, PPTs, multimedia, etc. This a chance to stand out from the crowd by being creative in the form and manner of the Toolbox for sharing your knowledge

NEW CONTACTS (NEW CONTACT LOG)

You will meet new (valuable) contacts **in person** who will be givers of information and possibly become a Mentor, friend, industry reference or guide. Please use the NEW CONTACT LOG TEMPLATE (posted in BlackBoard). Make sure to scan their business card and outline your discussion – i.e. how you connected, what you learned, impact on your journey, where you met. You should meet a **minimum** of 10 New Contacts this semester.

THANK YOU EMAILS AND/OR LINKEDINS

We expect to have several guest speakers. (For this assignment you can go beyond our guests and include people from your New Contact Log and other important connections you make during the semester. Among them may be mentors, industry contacts, someone who would hire you as intern, etc. You should try to connect with them ALL (a specified number of your Emails and/or LinkedIn can count for class credit.) You will be instructed as to proper form and best practices in class. Print a copy of the “sent” email or response and/or a screen shot of the LinkedIn connection. As noted, **10** count for grade points.

“BIG 3” MINI-CHALLENGE

This is a team exercise. Each team will create a business and generate the greatest revenues their entrepreneurial brains can conceive. Details of the project will be on Blackboard and discussed in class. You DON'T WANT TO MISS this class.

GOTOs (You’re a “go to” kind of person)

Share your key insights: You are invited to make a presentation in class based on entrepreneurial “extras” you’ve encountered – this may be an article, an event you attended, a special New Contact meeting, etc. Your GOTO presentation will be approx. 2 minutes, PPT optional. There are a limited number of GOTO slots available (**max. 1 per person**). Email Napoliel@marshall.usc.edu for clearance & schedule. Your Bonus Points will be based by the quality of the learning shared and the discussion it engenders.

DEVISE A LESSON

You may present (individually or on a team of up to 4 persons) one of the 5 “Devise-a-Lessons” for this semester. This is a mini-lecture on one of the listed subjects (below) or a subject of your choice (must be pre-approved by professor). Assignment details will be provided in class. You can only present **once**. Available topics:

- ☐ Presenting Winning Financials
- ☐ Using Technology to Improve Startup Sales and Efficiency
- ☐ What Investors Look for in Leadership Teams
- ☐ Subject of Your Choice
- ☐ Subject of Your Choice

STANDARD PAPER FORMAT

All papers, cases will follow the format:

- o Your name and page numbers on each page
- o One inch margins all around – 1½ line space
- o 12 point font size (sans serif font; Arial preferred)
- o Stapled if more than 2 pages (not stapled -10%)
- o **MUST BE turned in Electronically to Blackboard by due date AND hard copy turned in before the beginning of class. Grader attached if applicable (no Grader -10%)**

ON TIME PAPER DELIVERY

If you can't make deadlines, you can't be a successful entrepreneur.

Deadline for papers is hard copy **IN CLASS** before the beginning of the class starting time. Students **MUST ALSO UPLOAD** assignments to Blackboard prior to in-class deadline. **The following deductions apply for late submission of the course work:**

Submission between 10:05AM & end of class:	10% loss of score
Submission between next day and beginning of next class:	25% loss of score
After that:	NO SCORE

If you are excused or absent for a class meeting, upload and deliver a hard copy of your work (time stamped) to my office (Bridge Hall 1) before class time in order to be considered on time.

COURSE NOTES

Course communication will take place through announcements in class, emails, and the Blackboard system. You are responsible for having a fully functional Blackboard account with your email posted.

GRADING

Final grades represent how you perform in the class relative to other students. Your grade will not be based on a mandated target, but on your performance. Historically, the average grade for undergraduate elective classes at the Marshall School has been 3.3 (B+). Your final grade will be assigned based on your total points from the various assignments and other course evaluation components (listed in the table on “Assignments & Grading”), the overall average points within the class, and your ranking among all students in the class.

If you have any questions about your grade during the semester, please make an appointment to see me to discuss your concerns. Do not wait until the end of the semester to do so!

PARTICIPATION

1. Attendance at class sessions is critical. We may discuss material not found in the textbook or articles as well as conduct in-class exercises. You can miss one class without penalty—no questions asked, no need to let me know. Further absences will reduce your participation grade. If you miss a class, you are responsible for staying up-to-date on course content and assignments.
2. Show up on time and stay until the end — it is disruptive to your classmates’ learning experience if you arrive late or leave early.
3. Participate actively in classroom discussions and in-class exercises. Effective class participation consists of analyzing, commenting, questioning, discussing, and building on others’ contributions. The ability to present one’s ideas concisely and persuasively and to respond effectively to the ideas of others is a key entrepreneurial skill.
4. Make good use of guest presenters’ time. **Come prepared to class with questions for professor and especially Living Case speakers!**

ADD/DROP PROCESS

We can drop you from our class if you don’t attend the first two meetings of a class that meets twice per week. If you are dropped from the class you risk not being able to add yourself to another section this semester. Please visit www.usc.edu/soc and note the final deadlines to add/drop.

CONFIDENTIALITY & OTHER POLICIES

Greif Center for Entrepreneurial Studies 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 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 use 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 any 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.

Technology Policy

Laptop and Internet usage **is not permitted** during academic or professional sessions unless otherwise stated by the respective professor and/or staff. Use of other personal communication devices, such as cell phones, is considered unprofessional and is not permitted during academic or professional sessions.

Videotaping or audio taping faculty lectures **is not permitted** due to copyright infringement regulations. Use of any distributed material is reserved exclusively for the USC students registered in this class.

Statement for Students with Disabilities

Any student requesting academic accommodations based on a 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 me as early in the semester as possible. DSP is located in STU 301 and is open 8:30 a.m.–5:00 p.m., Monday through Friday. The phone number for DSP is (213) 740-0776. For more information visit www.usc.edu/disability

Statement on Academic Integrity

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. All students are expected to understand and abide by these principles.

SCampus, the Student Guidebook, (www.usc.edu/scampus or <http://scampus.usc.edu>) contains the University Student Conduct Code (see University Governance, Section 11.00), while the recommended sanctions are located in 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: <http://www.usc.edu/student-affairs/SJACS/>. 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.

Emergency Preparedness/Course Continuity

In case of a declared emergency if travel to campus is not feasible, USC executive leadership will announce an electronic way for instructors to teach students in their residence halls or homes using a combination of Blackboard, teleconferencing, and other technologies. Please make sure you have access to the course in Blackboard; this will be crucial in an emergency. USC's Blackboard learning management system and support information is available at blackboard.usc.edu.