

## **BAEP 452: FEASIBILITY ANALYSIS (4 UNIT ENTREPRENEURSHIP COURSE)**

**WEDNESDAY 6:00PM TO 9:30PM**

**CLASS LOCATION: JFF 414**

**FALL 2018 SYLLABUS**

**PROFESSOR: KIMBERLY KELLY-ROLFE**  
**PHONE: (323) 384-7784 (MOBILE)**  
**E-MAIL: KELLYROL@MARSHALL.USC.EDU**  
**OFFICE HOURS: JFF – 5<sup>TH</sup> FLOOR, WEDNESDAYS FROM 3:30PM – 5:30PM (BY APPOINTMENT).**  
\*My preferred contact method is by email or text message.

### **COURSE DESCRIPTION**

This course focuses on skills and experiences to test the feasibility of a potential business. The activities of the class work toward the creation of a feasibility study focusing on a concept of your choice – a project that involves identifying, evaluating, and determining whether or not to exploit an entrepreneurial opportunity.

To build your feasibility analysis, you will think critically about business concepts and undertake field research to answer questions about strategy, sales, marketing, financial, operational and human resource issues. You will form a concept statement, analyze your industry and market, think beyond the current situation, conduct first-hand research on customers, discover your value proposition, evaluate distribution channels, your revenue models, estimate resource requirements for the venture, and practice presenting your business.

You will meet potential customers to gain insight into their problems and needs, you will be pushed to iterate your concept and change it as you learn more, you will develop a supporting business model, and present your work. Based on the work in this course you will be able to decide whether or not you will move ahead and develop your business.

This is not a “spectator” course. You will be required to engage actively in field research – which includes scheduling meetings with prospective customers to gain market intelligence, vendors to acquire process and pricing information, and business mentors who can provide experience and support. Through the extensive, practical work that you conduct in this course to research, craft, and test your business concept, you will be able to determine whether and how you wish to go forward with your venture.

Students can expect to complete the majority of the coursework in small groups which will be maintained for the duration of the semester. If a student is experiencing challenges in the group, please contact the professor immediately for resolution.

## COURSE LEARNING OBJECTIVES

In this course, you will develop your conceptual and practical knowledge of your concept, specifically formulating an analysis to test the concept's feasibility. You will:

1. Develop an understanding of how to formulate a feasibility analysis.
2. Develop tools to test the potential customer base for the viability of your offering.
3. Define the market dynamics that you will have to contend with to satisfy your customer's needs;
4. Outline a plan to acquire your new customer base and the cost associated with new customer acquisition.
5. Create a plan to understand what the REAL cost is and how to price your product and service appropriately.
6. Understand what type of financial obligation will be required to launch and how to structure those deals.

In addition, this course also provides an opportunity for you to develop your personal capabilities. You will develop:

1. Analytical skills: thinking, problem solving, and decision-making:
  - a. Analyze and critically evaluate multiple courses of action
  - b. Find and use resources to answer your questions
  - c. Form conclusions and recommendations supported by logic and evidence
2. Oral and written communication skills including your ability to:
  - a. Deliver oral presentations to a large audience
  - b. Ask questions and present viewpoints in discussions
  - c. Write well-structured, clear, and concise documents
3. Skills in managing work load:
  - a. Improve your ability to analyze and structure tasks
  - b. Learn to better manage your time to be highly effective
  - c. Network with other students and individuals in your industry of interest.

Upon completion, students will have a comprehensive Feasibility Analysis which is the key to starting a business. To accomplish this goal, the course integrates:

1. Introduction: What is feasibility? How is opportunity recognized and assessed?
2. Solving a Pain/Problem.
3. Market Assessment: Knowing the customer.
4. Distribution: How to get to the customer and how to deliver a customer benefit.
5. Financial Assessment: Does it make cent\$?

To achieve these objectives, a combination of methods will be used in the course, including lectures, case studies, articles, individual projects, student presentations, and guest lectures.

## COURSE TEXT & MATERIALS

### REQUIRED TEXTS

1. *The Startup Owner's Manual: The Step-By-Step Guide for Building a Great Company* (Steve Blank & Bob Dorf)
2. *Fanatical Prospecting: The Ultimate Guide to Opening Sales Conversations and Filling the Pipeline by Leveraging Social Selling, Telephone, Email, Text, and Cold Calling* (Jeb Blount) (Audio book acceptable – audible.com)
3. *The Accounting Game: Basic Accounting Fresh from the Lemonade Stand* (Darrell Mullis & Judith Orloff)

\*\*\*\*All texts available for purchase on amazon.com\*\*\*\*

### MATERIALS

- 1) Case Studies – a list of case studies will be listed on Blackboard and can be purchased at <https://hbsp.harvard.edu/import/560095>
- 2) Please bring your laptop to class every week.
- 3) Other articles and required reading will be posted on Blackboard.
- 4) Course schedule is available on black board and will be updated regularly so please check it each week for updates.
- 5) Details for each assignment will be listed on Blackboard under assignments.

## ASSIGNMENTS & GRADING SCALE

**Participation:** Throughout the semester, you are expected to engage actively in our classroom discussions and activities. The quality of your engagement will contribute to your overall participation grade. In addition, participation points will be awarded for Daily 3 Questions and Answers. Each week you will have the opportunity to earn roughly 5 points for participation. Therefore, your attendance and participation are important.

### **Case and Reading Preparation, Discussion & Daily 3**

**Cases** - The professor may randomly cold call students to present case studies. When we discuss cases and readings, expect that you will be called to present a summary and your assessments.

**Daily 3 Discussion** - We will start each day with our Daily 3 discussion. Daily 3 discussion is based on required reading. Students are required to prepare 3 questions from the reading, print out those questions and bring to class each week. The professor will randomly select 3 students to ask questions and 3 to answer questions from the reading. Other students will provide input, state whether they agree or disagree, and provide additional insight. Daily 3 discussion questions should require a description and not simply a single word answer. (Daily 3 Questions are worth 5 points each & 12/13 will count toward grade.)

### **Networking Assignment**

As an entrepreneur, it's really important that you learn your industry, the resources that are available and make several contacts in your industry. To get you going, you will be required to attend a networking

event in your industry, make at least 3 contacts and follow up. You will be required to submit a 1-2 page paper at the completion of the assignment. Details will be posted on Blackboard.

### **Module 1: Business Model – Pitch, PowerPoint Presentation & Paper**

In this module, students will focus on a minimal viable product/service (MVP) and building their business model canvas. Students will be required to deliver a 4-minute pitch, create a PowerPoint presentation as well as submit a 2-3-page paper describing the pain/solution, value proposition, market and MVP. A complete Business Model canvas should be included.

### **Module 2: Sales & Marketing – Customer Discovery, Sales Project, Pitch, PowerPoint Presentation & Paper**

For this module each team will be required to conduct customer discovery interviews, develop a marketing plan and a sales strategy for their product/service. It's important to prove there is an existing market that will pay for products/services and that students learn how to market and sell their products/services. For this module students will be responsible for the following:

**Customer Interviews** - Customer interviews can be a source of great insight, especially in the early days of your business. This exercise is to learn to conduct effective customer discovery interviews and to gain insight from your potential customer segment. This exercise, based in field research and talking to people, will help you gain needed information to complete your feasibility project. Groups should expect to conduct approximately 30 - 50 customer discovery interviews depending on the group size, with each individual group member conducting 10-12 interviews & submit a 1 page paper on customer discovery.

**Sales Exercise** – Each group will be responsible for creating an MVP they can sell. To do so, teams will need to create a sales strategy, marketing plan, prospect for customers, and generate sales. The group will then need to go out and test the product/service in the market place by getting orders that lead to sales. Each group is expected put a minimum of 4 hours selling time into this project.

**Pitch, PowerPoint Presentation and Paper** – Students will be required to prepare a pitch, PowerPoint presentation and 3-page paper summarizing the results of customer discovery and the sales exercise. In addition, students should include the marketing plan and sales strategy for their MVP.

### **Module 3: Financials – Pitch & Presentation of Financial Statements**

**Financials** – Students will need to prepare a Profit and Loss, Balance Sheet and Statement of Cash Flows for the business concept. Include projected start-up costs, operational costs, achieving break/even and assumptions and research inputs where necessary. Use excel spreadsheet and formulas. Your team will need to pitch your financials and prepare a PowerPoint presentation.

### **Final: Pitch, Presentation & Paper**

**Feasibility Project** - This project represents much of your work this semester. Students will work on this project in groups of 3-5 people over the course of the semester. Individual projects require approval. Module by module, students will build a concept and determine feasibility. The culmination of this project will result in the final pitch, PowerPoint presentation and 5-7page paper, plus appendix pages. Write this project concisely and clearly and use size 12 font. Organize and format your paper well. In your report, include these sections:

**Business concept:** Share your minimum viable product/service (MVP), the name and the problem to be solved.

**Business Model:** Include your completed business model canvas

**Customer segment:** Describe the target customer segment and the need they have.

**Value Proposition:** What value your customer gains from your business and how you learned this.

**Customer Relationship:** How you will gain customers?

**Distribution:** Describe your distribution channels and how you have validated that the channels you describe will work for you. Use your work, data, and interviews. Do not just guess.

**Other Information:** Market size, Competition & Customer Discovery numbers

**Team:** Who will build this business, who will help advise you, what industry connections will help you as you build and grow, what is needed on the team, and why?

**Timing:** answer the question "why now?"

**Financial Projections & Needs:** Your path to sustainability, whether through bootstrapping or funding. If you plan to seek outside funding, explain what you have done that supports investment in your business. For both organic growth, outside investment and alternative investment methods, describe your needs and runway to build your business. This is your interpretation of your financials and how you expect to generate revenue and elements of your cost structure. Include Profit/Loss with 3 years financial projections, Cashflow & Balance Sheet.

**\*\*\*\*FULL ASSIGNMENT AND REQUIREMENTS WILL BE POSTED IN BLACKBOARD\*\*\*\***

<u>ASSIGNMENT</u>	<u>POINTS</u>	<u>% OF GRADE</u>
<b>CLASS PARTICIPATION</b>	90	15%
<b>DAILY 3 QUESTIONS</b>	60	10%
<b>CUSTOMER DISCOVERY</b>	60	10%
<b>NETWORKING ASSIGNMENT</b>	60	10%
<b>MODULE 1: BUSINESS MODEL</b>		
PITCH	25	10%
POWERPOINT	20	
PAPER	15	
<b>MODULE 2: SALES &amp; MARKETING</b>		
PITCH	30	15%
POWERPOINT	20	
PAPER	40	
<b>MODULE 3: FINANCIALS</b>		
PITCH	30	15%
POWERPOINT	20	
FINANCIALS	40	
<b>FINAL PROJECT: PITCH, PRESENTATION &amp; PAPER</b>	<u>90</u>	<u>15%</u>
<b>COURSE TOTALS:</b>	600	100%

## Assignment Submission

All assignments must be uploaded to Blackboard by **10:30 AM Pacific Time** on the date that assignment is listed as due in the Course Schedule. Any assignment turned in late, by more than 10 minutes, will receive a grade deduction of 5% after 10 minutes, 10% on day 2 and 15% the 3<sup>rd</sup> day and 20% after. So, if you experience technical difficulty or have special circumstances, please contact me. Please...

- Upload only one file per assignment, in PDF format. If assignments include images, spreadsheets, etc., merge all into one professional document.
- Deliverables that exceed the maximum page or time limit will be assessed up to, and not beyond, that limit.

## COURSE CALENDAR

A detailed schedule of days, topics, and assignments is posted in blackboard. **Please check for weekly updates. Note that the schedule is subject to change based on class progress and guest availability.**

CLASS	DATE	TOPICS & ASSIGNMENTS DUE	REQUIRED READING
1	08/22/18	MODULE 1: BUSINESS MODEL – Pain/Solution <i>Due: Daily 3 Questions</i>	<u>Case Study: Early Stage Business Vignettes</u>
2	08/29/18	MODULE 1: BUSINESS MODEL – Value Proposition <i>Due: Daily 3 Questions</i>	<u>The Start Up Owner's Manual</u> , Chapter 3 All & Chapter 4 through page 124
3	09/05/18	MODULE 1: BUSINESS MODEL – MVP <i>Due: Daily 3 Questions</i>	<u>The Start Up Owner's Manual</u> , Chapter 4 through page 126 - end.
4	<b>09/12/18</b>	<b>MODULE 1: BUSINESS MODEL PITCH &amp; PRESENTATION</b> <b><i>Due: Daily 3 Questions, 4-Minute Group Pitch &amp; Business Model Paper</i></b>	<u>The Start Up Owner's Manual</u> , Chapter 5 & 6
5	09/19/19	MODULE 2: SALES & MARKETING – Customer Discovery <i>Due: Daily 3 Questions</i>	<u>The Start Up Owner's Manual</u> , Chapter 7, 8 <u>Fanatical Prospecting</u> Chapters 1-4
6	09/26/18	MODULE 2: SALES AND MARKETING – Marketing Strategy <i>Due: Daily 3 Questions &amp; Customer Discovery Paper</i>	<u>The Start Up Owner's Manual</u> , Chapter 9 <u>Fanatical Prospecting</u> Chapters 5-7
7	10/03/18	MODULE 2: SALES & MARKETING – Get out and Sale <i>Due: Daily 3 Questions</i>	<u>The Start Up Owner's Manual</u> , Chapter 10 <u>Fanatical Prospecting</u> , Chapters 8 & 9
8	<b>10/10/18</b>	<b>MODULE 2: SALES &amp; MARKETING PITCH &amp; PRESENTATION</b> <b><i>Due: Daily 3 Questions, 4-Minute Group Pitch, PowerPoint &amp; Sales &amp; Marketing Paper</i></b>	<u>Case Study: Airbnb, Etsy, Uber: Acquiring the First Thousand Customers</u>
9	10/17/18	MODULE 3: FINANCIALS – Revenue Model <i>Due: Daily 3 Questions</i>	<u>The Accounting Game</u> , Chapter 1 & 2
10	10/24/18	MODULE 3: FINANCIALS – Financial Statements <i>Due: Daily 3 Questions</i>	<u>The Accounting Game</u> , Chapter 3 & 4

11	10/31/18	<i>HAPPY HALLOWEEN - GROUP STUDY - NO CLASS</i>	The Accounting Game, Chapter 5 & 7
12	11/07/18	MODULE 3: FINANCIALS – Financial Projections <i>Due: Daily 3 Questions</i>	<u>The Accounting Game</u> , Chapter 8 & 9
13	11/14/18	<b>MODULE 3: FINANCIALS PITCH &amp; PRESENTATION</b> <i>Due: Daily 3 Questions, 5-Minute Group Pitch, PowerPoint &amp; Financials</i>	<u>Case Study</u> : Urban Water Partners
14	11/21/18	<i>THANKSGIVING HOLIDAY BREAK 11/21-25 - NO CLASS</i>	
15	11/28/18	MODULE 4: CONNECTING IT ALL TOGETHER <i>Due: Daily 3 Questions &amp; Networking Assignment Paper</i>	The Start Up Owner's Manual, Chapter 12
16	12/05/18	<b>FINAL PRESENTATIONS: Feasibility Project</b> <i>Due: 6 -Minute Group Pitch, PowerPoint &amp; Final Paper</i>	

### ADDITIONAL INFORMATION

Name Cards: Please display your name card in front of you at every class meeting

Tardiness: Arriving late or leaving early disrupts the learning experience for other students; please inform me ahead of time if you must leave early

Phones: Please remember to silence cell phones while in the classroom – use of phones is **not** permitted in class.

### Lloyd 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 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 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 Entrepreneur Program classes or events. Receipt of this policy and registration in our classes are evidence that you understand this policy and will abide by it.

### **Technology Policy**

Laptop, tablet, and Internet usage are not permitted during academic or professional sessions unless otherwise stated by the professor. Use of other personal communication devices such as mobile phones is considered unprofessional and is not permitted during academic or professional sessions. ANY web-enabled devices (e.g., laptops, tablets, smartphones) must be completely turned off during class time. Videotaping of faculty lectures is not permitted due to copyright infringement regulations. Audiotaping may be permitted ONLY if approved by the professor. Use of any recorded material is reserved exclusively for USC Marshall students. [Further details are provided in the Class Notes Policy, below.]

### **Academic Integrity and 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 ([www.usc.edu/scampus](http://www.usc.edu/scampus) or <http://scampus.usc.edu>). A discussion of plagiarism appears in the University Student Conduct Code (Section 11.00 and Appendix Z).

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.

Your original thought, in addition to carefully cited sources, will ensure that you don't run into academic integrity issues that may affect your grade or your status at USC. Any material cited verbatim from its source should be in quotes and contain a reference to a full citation for that source. Paraphrased work should also clearly cite the source material.

**Discrimination, sexual assault, and harassment** are not tolerated by the university. You are encouraged to report any incidents to the *Office of Equity and Diversity* (<http://equity.usc.edu/>) or to the *Department of Public Safety* (<http://capsnet.usc.edu/department/department-public-safety/online-forms/contact-us/>). This is important for the safety of the whole USC community. Another member of the university community – such as a friend, classmate, advisor, or faculty member – can help initiate the report or can initiate the report on behalf of another person. *The Center for Women and Men*



(<http://engemannshc.usc.edu/cwm/>) provides 24/7 confidential support, and the sexual assault resource center webpage (<https://sarc.usc.edu/reporting-options/>) describes reporting options and other resources.

### **Class Notes Policy**

Notes or recordings made by students based on a university class or lecture may only be made for purposes of individual or group study, or for other non-commercial purposes that reasonably arise from the student's membership in the class or attendance at the university. This restriction also applies to any information distributed, disseminated or in any way displayed for use in relationship to the class, whether obtained in class, via email or otherwise on the Internet, or via any other medium. Actions in violation of this policy constitute a violation of the Student Conduct Code, and may subject an individual or entity to university discipline and/or legal proceedings. Again, it is a violation of USC's Academic Integrity Policies to share course materials with others without permission from the instructor.

**No recording and copyright notice.** No student may record any lecture, class discussion or meeting with me without my prior express written permission. The word "record" or the act of recording includes, but is not limited to, any and all means by which sound or visual images can be stored, duplicated or retransmitted whether by an electro-mechanical, analog, digital, wire, electronic or other device or any other means of signal encoding. I reserve all rights, including copyright, to my lectures, course syllabi and related materials, including summaries, PowerPoints, prior exams, answer keys, and all supplementary course materials available to the students enrolled in my class whether posted on Blackboard or otherwise. They may not be reproduced, distributed, copied, or disseminated in any media or in any form, including but not limited to all course note-sharing websites.

### **Support Systems**

Students whose primary language is not English should check with the *American Language Institute* (<http://dornsife.usc.edu/ali>), which sponsors courses and workshops specifically for international students. *The Office of Disability Services and Programs* ([www.usc.edu/disability](http://www.usc.edu/disability)) provides certification for students with disabilities and helps with the relevant accommodations. If an officially declared emergency makes travel to campus infeasible, *USC Emergency Information* (<http://emergency.usc.edu/>) will provide safety and other updates, including ways in which instruction will be continued by means of Blackboard, teleconferencing, and other technologies.

*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. <https://engemannshc.usc.edu/counseling/>

*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. <http://www.suicidepreventionlifeline.org>

*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.

<https://engemannshc.usc.edu/rsvp/>

*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: <http://sarc.usc.edu/>

*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.

<https://equity.usc.edu/>

*Bias Assessment Response and Support*

Incidents of bias, hate crimes and microaggressions need to be reported allowing for appropriate investigation and response. <https://studentaffairs.usc.edu/bias-assessment-response-support/>

*Student Support & Advocacy – (213) 821-4710*

Assists students and families in resolving complex issues adversely affecting their success as a student EX: personal, financial, and academic. <https://studentaffairs.usc.edu/ssa/>

*Diversity at USC – <https://diversity.usc.edu/>*

Tabs for Events, Programs and Training, Task Force (including representatives for each school), Chronology, Participate, Resources for Students

## **Students with Disabilities**

USC is committed to making reasonable accommodations to assist individuals with disabilities in reaching their academic potential. If you have a disability which may impact your performance, attendance, or grades in this course and require accommodations, you must first register with the Office of Disability Services and Programs ([www.usc.edu/disability](http://www.usc.edu/disability)). DSP 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 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 (or to your TA) as early in the semester as possible. DSP is located in GFS (Grace Ford Salvatori Hall) 120 and is open 8:30 a.m.–5:00 p.m., Monday through Friday. The phone number for DSP is (213) 740-0776. Email: [ability@usc.edu](mailto:ability@usc.edu).

## **Emergency Preparedness/Course Continuity**

In case of a declared emergency if travel to campus is not feasible, the *USC Emergency Information* web site (<http://emergency.usc.edu>) will provide safety and other information, including electronic means by which instructors will conduct class using a combination of Blackboard, teleconferencing, and other technologies.

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 can access this course in Blackboard and retrieve the course syllabus and other course materials electronically. You should check Blackboard regularly for announcements and new materials. In the event of an emergency, the ability to access Blackboard will be crucial. USC's Blackboard learning management system and support information is available at [blackboard.usc.edu](https://blackboard.usc.edu).