CIEE Global Institute - London

Course name: Entrepreneurship and Startup Culture
Course number: (GI) BUSI 3008 LNEN
Programs offering course: London Open Campus
Open Campus Track: Business
Language of instruction: English
U.S. semester credits: 3
Contact hours: 45
Term: Spring 2020

Course Description

Students develop an understanding of the entrepreneurial process by working on a concrete and locally specific project and business plan. In order to allow students to develop their business plans within the host country market, this course first examines the entrepreneurial cultures in the host country by comparison with that of the United States. On the basis of this contextual analysis, students reflect on their own values, goals and strengths, pitching ideas, forming teams and developing a business model. Special attention is paid to the results of the customer, market and industry analysis that are used to develop a viable product. The course also investigates different forms of intellectual property rights and explains the first steps of strategic planning. After completing all the assignments, students will be able to pitch an entire business idea based on thorough research. Company visits and guest lectures from local entrepreneurs allow students to witness and discuss entrepreneurship in action.

Learning Objectives

By the end of this course, students will gain knowledge in:

- What an entrepreneur is and how entrepreneurs go about developing and setting up businesses.
- The creative process of developing business ideas, testing the ideas and developing a business plan.
- Processes and methods of raising capital.
- The importance of people participating in various capacities in a business and shaping the culture of the business.
- Ways to market and advertise a start-up business.
- The establishment phase of a start-up and post establishment challenges.
- Start-up culture and the impact of new technology and its convergence on entrepreneurship.
- Reasoning and analytical skills to challenge conventional business assumptions and creating businesses doing new things.
Course Prerequisites

None required, although a keen interest in entrepreneurship would be an advantage for the class.

Methods of Instruction

The course will be highly interactive between the instructor and the students. Required readings will be assigned in advance to allow students to digest material and prepare questions for more and interactive classroom discussion and debate. Four guest entrepreneurs will address students, followed by class discussion and work groups. Visits to a startup LaunchLab at a local university and the business premises of a startup entrepreneur are also planned. Students will be encouraged to develop analytical and reasoning skills and think afresh about entrepreneurship and conventional concepts of business.

Assessment and Final Grade

Students will be assessed according to the following criteria:

- Participation: 20%
- In-class presentations: 20%
- Two response papers (10% each): 20%
- Midterm exam: 20%
- Final exam: 20%

Course Requirements

An open-book midterm and final examination, an in-class group presentation, as well as attendance and class participation constitute the course requirements.

Midterm and Final Exams

The midterm examination will consist of the material covered during the first three weeks of class, including the PowerPoint presentations by the instructor, the readings assigned for those weeks and the in-class discussions. You will be asked to write three short essays on that material and should bring all the material and notes to class. You will be expected to write one page per question in clear and concise English, with well-structured sentences and applying the business language/vocabulary used in class.

Likewise, the final examination will cover all the course material for a similar examination.

Response Papers
The two response papers are due on the last day of class in weeks 2 and 4. They should be 2 pages in length and should consist of a brief summary of what was learned from one or more of the guest entrepreneur speakers or from the visits to the LaunchLab and the premises of a startup entrepreneur.

**In-Class Presentation**
The in-class presentation will be delivered by the students in groups of no more than 4 students. The task will be to identify a business idea and how they will go about to test and develop the idea into a business plan. Students can draw from the lectures, guest speakers and reading material to draft this presentation. The presentation should be in PowerPoint format and each group participant will present a part of it, although all members should be familiar with the whole topic; the presentation should not last more than 15 minutes and will be followed by a Q&A session.

**Participation**
As part of your work in this course, students should demonstrate learning beyond the submission of written assignments or presentations. As such, all students receive grades based upon participation.

Participation is valued as meaningful contribution in the digital and tangible classroom, utilising the resources and materials presented to students as part of the course. Students receive grades based upon their contributions both in the classroom and in the Canvas course.

Meaningful contribution requires students to be prepared, as directed by the Instructor, in advance of each class session. Students must clearly demonstrate they have engaged with the materials where directed.

This includes valued or informed engagement in, for example, small group discussions, online discussion boards, peer-to-peer feedback (after presentations), interaction with guest speakers, and attentiveness on co-curricular and outside-of-classroom activities.

**Attendance Policy**
Regular class attendance is required throughout the program, and all unexcused absences will result in a lower participation grade for any affected CIEE course. Due to the intensive schedules for Open Campus and Short Term programs, unexcused absences that constitute more than 10% of the total course sessions will also result in a lower final grade.

Students who transfer from one CIEE class to another during the add/drop period will not be considered absent from the first session(s) of their new class, provided they were marked present for the first session(s) of their original class. Otherwise, the absence(s) from the original class carry over to the new class and count against the grade in that class.

For CIEE classes, excessively tardy (over 15 minutes late) students must be marked absent. Attendance policies also apply to any required co-curricular class excursion or
event, as well as to Internship, Service Learning, or required field placement. Students who miss class for personal travel will be marked as absent and unexcused. No make-up or re-sit opportunity will be provided.

Attendance policies also apply to any required class excursion, with the exception that some class excursions cannot accommodate any tardiness, and students risk being marked as absent if they fail to be present at the appointed time.

Unexcused absences will lead to the following penalties:

<table>
<thead>
<tr>
<th>Percentage of Total Course Hours Missed</th>
<th>Equivalent Number of Open Campus Semester classes</th>
<th>Minimum Penalty</th>
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</thead>
<tbody>
<tr>
<td>Up to 10%</td>
<td>1 content classes, or up to 2 language classes</td>
<td>Participation graded as per class requirements</td>
</tr>
<tr>
<td>10 – 20%</td>
<td>2 content classes, or 3-4 language classes</td>
<td>Participation graded as per class requirements; <strong>written warning</strong></td>
</tr>
<tr>
<td>More than 20%</td>
<td>3 content classes, or 5 language classes</td>
<td>Automatic <strong>course failure</strong>, and possible expulsion</td>
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**Weekly Schedule**

NOTE: this schedule is subject to change at the discretion of the instructor to take advantage of current experiential learning opportunities.

**Week 1**  
Core concepts – making money or changing the world?  
The objectives of the course are explained and the core concepts relating to entrepreneurship and startup culture are presented and discussed:
- What is entrepreneurship?
- What type of people are entrepreneurs?
- What type of businesses do they start and operate?
- What do they contribute to economies and society?
- Startup thinking - business assumptions that are valid and useful to entrepreneurs.
- Entrepreneurial culture in South Africa

Guest speaker: Startup entrepreneur

Readings:
- Thiel, Peter, *From Zero to One*, Chapters 1, 2 and 14
- Ries, Eric, *The Lean Startup*, Part One, Chapters 1 and 2
**Week 2**

**Coming up with a business idea – (inspiration in the shower?)**
The creative process in identifying and developing a business idea will be presented. Of equal importance is testing the viability of the idea and developing a business structure to eventually support the idea in a business environment. Aspects that will be covered and discussed include:
- Creativity, innovation and vision
- Spotting a gap in the market and a market in the gap
- Developing a business idea
- Viability studies to test business ideas
- Needs analysis
- Structuring the business
- Calculating market share, income, profit, break-even, cash flow
- Protection of intellectual property rights

**The business plan**
How to construct a well developed business plan in support of a well defined business idea will be presented, as well as different types of business plans and how they can tailored to suit different audiences:
- Seven key questions to be addressed in formulating a plan
- Why presentation of the business plan is vital
- Target audiences and how to present to them

Guest speaker: Startup entrepreneur

Readings:
- Thiel, Peter, *Zero to One*, Chapters 6, 8 and 13
- Ries, Eric, *The Lean Startup*, Part One, Chapters 3 and 4

Movie & video clips:
The Social Network
Dragon’s Den

**Week 3**

**The Foundation – are people more important than money?**
Two critical factors in starting and developing a sustainable business revolve around people and money. Identifying and managing the right people (including issues such as controlling stakes, company culture and leadership), and sources of funding for new ventures will be presented and discussed:

People
- Co-founders (ownership, possession & control)
- Equity partners, management & employees
- The influence of company culture on the success of a venture

Money
- The formal stages and ways of raising capital
- Alternative ways to raise capital and how to stay afloat

Guest speaker: Startup entrepreneur

Readings:
- Thiel, Peter, *Zero to One*, Chapter 9
- Root, A., “What are the different stages in startup funding?” 23 January 2016 (Online)
- Kelly, R., “Here are the 5 Major Stages of Startup Funding” 21 July 2010 (Online)

Movie & video clips:
- Steve Jobs

Midterm exam (Do not forget to bring with you all material covered in class as well as readings and notes!)

Week 4

Starting the business – the right time to jump in
When to start a new business and how to get the start itself right are challenging issues for entrepreneurs. The range of factors that have an impact on a business during the important starting phase and the test of durability will be presented and discussed in detail:
- Timing is sometimes everything
- Distribution - sales, marketing (also virtual) & advertising
- Durability - how long can this business last?
- Legal and regulatory compliance

Guest speaker - established entrepreneur
Readings:
Thiel, Peter, *Zero to One*, Chapters 7 and 11
Ries, Eric, *The Lean Startup*, Part Two, Chapters 5, 6 and 7
"Downturn, Start up" (The Economist 7 January 2012) (Online)

Movie & video clips:
The Wolf of Wall Street

**Week 5**

**Post-start-up challenges – if cash flow is your problem it is your only problem!**
A very large percentage of new business ventures fail within the first two years of their existence. Information on the business cycles that new ventures go through, dealing with business failures and potential failures, and how to change track mid-stream will be presented and discussed.

- Startups and business cycles
- Failures and re-inventions
- To pivot or persevere?

Visit to a LaunchLab and a startup’s business premises

Readings:
Ries, Eric, *The Lean Startup*, Part Two, Chapter 8 and Part Three, Chapters 11 and 12
Reavis, C., “Robin Chase, Zipcar, and an inconvenient discovery” (MIT Sloan School of Management, 2014)
"Testing, testing" (The Economist, 18 January 2014) (Online)

Movie and video clips:
Start-up.com

**Week 6**

**Start-up culture – a new phase of accelerated technological development is happening right now**
The course concludes with a detailed look at what is happening with technology worldwide and in Africa. The rapid implementation of new technology, inventions, its convergence, and the potential impact on entrepreneurship and startup culture in both the developed and developing world will be presented and debated:

- Convergence of nanotechnology, robotics, analytics, virtual reality, artificial intelligence, biology, material science and computing power
Combining old technology with new technology to create world class businesses in Africa
Stagnation or singularity

Readings:
Gallagher, L., “The Education of Airbnb’s Brian Chesky” (Fortune 26 June 2015) (Online)
Govindarajan, V., “Planned Opportunism” (Harvard Business Review, May 2016) (Online)
Green Carmichael, S., “It might be time to spill your corporate secrets” (Harvard Business Review, 13 April 2015)
“Where Creators are Welcome” (The Economist, 9 June 2012) (Online)

Movie & video clips:
The Matrix

**Open-book final exam** (Do not forget to bring all materials and notes with you!)

**Readings**


**Online resources**

http://robdkelly.com/blog/fundraising/5-stages-of-startup-funding/
http://fortune.com/brian-chesky-airbnb/
https://hbr.org/2016/05/planned-opportunism
https://mitsloan.mit.edu/LearningEdge/Leadership/Pages/Zipcar.aspx
http://www.economist.com/node/21542390
http://ventureburn.com/2014/09/on-sa-startups-going-global-7-case-studies-you-can-learn-from/