

FOUNDATIONS OF ENTREPRENEURSHIP

Management B8518
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COURSE DESCRIPTION

Foundations of Entrepreneurship serves as the gateway course to the entrepreneurship curriculum at CBS. The class is designed to provide a broad survey of concepts and skills that will benefit aspiring students interested in the entrepreneurial ecosystem, including students who want to be founders, employees of a startup, “intrapreneurs” who operate entrepreneurially within a more mature organization, investors in new ventures, or some combination thereof. The course will also help students decide if they want to participate now or in the future in the startup ecosystem.

Each class session is devoted to a particular topic, which we cover through a combination of lecture, cases, discussion, and in-class activities. Many class sessions also include a guest speaker, ranging from recent CBS alumni entrepreneurs to high-profile VCs and angel investors. Over the course of the semester, students will work in teams to develop an idea for a new business, culminating in an end-of-term pitch and final paper.

Please note that, while all are welcome, this course is specifically designed for students who have limited-to-no experience in the startup ecosystem. This includes both those students who have already decided or feel they may want to be founders as well as those who foresee taking on other roles or types of interactions with the entrepreneurial ecosystem (described above). The course is structured to meet the needs of the full range of student needs and interests; while some topics will be specifically relevant to a student's particular objectives, ALL topics are important for all students wishing to be involved in entrepreneurship.

This course also serves as a pre-requisite for Launch Your Startup.

In this course we seek to answer many key questions, including:

- How do I distinguish interesting ideas from real opportunities?
- How do I go from a real opportunity to a winning business model?
- How do I turn a winning business model into an actual business?
- What do I need to consider when seeking funding?
- What can I do to maximize success in my venture?
- What is the perspective of employees and investors?

HOW THIS COURSE DIFFERS FROM OTHER ENTREPRENEURSHIP COURSES AT CBS

This is the gateway to a sequence of three “spine” classes designed for students interested in entrepreneurship: **(1) Foundations of Entrepreneurship**; **(2) Launch Your Startup**; and **(3) Entrepreneurial Greenhouse**.

Launch Your Startup is an accelerated, applied class for students who are already actively engaged with their target market, ready to advance their customer discovery and market research, design and test minimum viable products, develop customer acquisition strategy, and prepare investor-ready financials for fundraising.

Please note that Foundations of Entrepreneurship serves as a prerequisite to Launch Your Startup. If you believe that you should be enrolled in LYS without having to take Foundations, please complete the following survey:

<http://bit.ly/entrepreneurwaiver>.

Finally, students who already have a Minimum Viable Product (MVP) and a committed and vetted team can apply to **Entrepreneurial Greenhouse**, which is designed as an accelerator and serves as a capstone to the Entrepreneurship Track.

There are also a number of other great entrepreneurship courses offered at CBS, including: **Foundations of Innovation**, **Foundations of VC**, **Lean Launch Pad**, **Think Bigger**, and **Entrepreneurial Strategy**.

To learn more about these and other courses at CBS, visit our entrepreneurship course site and selection tool:

<https://www8.gsb.columbia.edu/entrepreneurship/student-resources/courses>

COURSE MATERIALS AND REQUIREMENTS

All case materials and readings for this class will be posted to Canvas. There is no textbook.

There are three requirements for Foundations of Entrepreneurship: [1] regular class attendance and participation; [2] case quizzes and assignments; and [3] a group project, including a pitch and final paper.

1. Class Attendance and Participation:

I promise to provide as complete and compelling a class experience as possible; however, this experience is maximized when everyone comes ready to participate and engage—either face-to-face or online. Participation will be a very important part of the learning process in this course, so it will also constitute a significant portion of your final grade. Please plan to prepare for and attend each session, and come ready to engage. The more you put in, the more you will get out!

Your participation will be evaluated on your constructive contributions to discussion and learning in the class. Participation requires listening attentively and building on what peers have already shared. A positive contribution to class or team discussion exhibits one or more of the following properties:

1. Moves the discussion and analysis forward to inspire new insights among peers.
2. Shares a personal experience in a way that illuminates ideas being discussed.
3. Uses logic, insights, and evidence; more than merely an opinion or feeling.

Your participation will be evaluated on both quality and quantity. If you are not in the classroom (physical or virtual), you obviously cannot participate. One excused absence is permitted, but **you must notify the Professor in advance**. Otherwise, we will adhere to the [Core Class Attendance Policy](#).

Finally, as with core courses, please make it a priority to come to class on time and be **present, prepared**, and ready to **participate**. Ideally, sit in the same seat for each session, and bring your name cards to every class.

2. Case Quizzes and Other Assignments:

For those class sessions that includes a case, you are required to complete an online multiple-choice quiz on Canvas that is composed of a set of questions related to the case. **Submissions are due the day of class**. You may discuss the case with your classmates, but your quiz answers must be based on your own careful analysis. Some quiz questions are subjective, while others have correct answers. If you

complete the quizzes you will get full marks regardless of whether you were correct, provided that you indicate your answers were based upon your own analysis. There will also be several other assignments to help you build towards your final projects (details outlined below and on Canvas).

3. Final Paper and Presentation

Early in the semester students will form self-selected groups of 3-to-5 students to explore and develop an idea for a new business. At the end of the semester each group will make a final presentation of their project. For the presentation, teams will prepare a 10-to-12-slide investor power point pitch. A final paper is also required.

Your paper will be graded along four dimensions: [1] the quality of the final idea and the entrepreneurial insight; [2] the learning and progress that has occurred throughout the semester; [3] the diligence with which you have executed the study; and [4] the quality of the pitch or presentation. I am looking for interesting (but not necessarily “ready-to-launch”) ideas that have been well developed and iterated based on customer discovery, and that are also well researched and presented. **At the end of the semester, each student will also be asked to fill out an evaluation of their fellow group members, indicating the percentage that each member contributed to the final project. This will contribute heavily toward your final grade.**

The paper should address the following aspects of your proposed venture, and we will discuss in more detail in class:

- Brief Description of the Opportunity
- Analysis of Market and Customer Segments
- Description of Product or Service and Value Proposition
- Identification of Competition and Competitive Insulation
- Overview of the Founding Team and Key Partnerships
- Timing and Financing

Appendix 1:

Summarize what you learned about your venture idea from Customer Discovery. Please include: (a) Brief summaries of interviews with at least five strangers/non-CBS students whom you have reason to believe will assist you in evaluating your idea. Provide one short summary paragraph per interview. These interviews are most effective when they include potential customers (including, if applicable, purchase decision makers, distributors, store buyers, and end-users), suppliers, investors, people in similar businesses, experts, etc. (b) Any insights you gained from these interviews. (c) Whether these interviews supported your idea or they led to you thinking it may not be viable (both are useful and your grade will NOT be affected by learning that customers are not supportive of your idea!).

Appendix 2:

Financial model: We will discuss in detail in class and conduct working sessions, and you will have this as an assignment during the semester, so this will simply be your final version. Reminder (from the assignment you will do during the semester...) that the

financial model includes: (1) all sources of revenue, (2) all projected expenses, (3) staffing projections, and (4) assumptions for the model, all four of which typically appear separately but you may present in any traditional format. As with your assignment, this should then be represented in your P&L in monthly and in summary form for at least three years. Also include the cash flow analysis, which flows out of the financial model. Run the model out on a monthly view until you turn cash flow positive, then do it yearly after that. While three years are traditional for the model, be sure to go further out if you do not reach profitability during those three years. Your cash flow should allow you to answer two questions:

- 1) In what month do you break even?
- 2) In what month do you recoup your total investment?

Please submit all assignments online through Canvas unless otherwise specified.

GRADING

The following weights will be used to calculate final grades for the class:

Class Attendance and Participation	40%
Case Quizzes and Other Assignments.....	20%
Final Presentation and Paper.....	40%

****A Final Note Regarding the Use of Electronic Devices in Class****

Normally there is a “no devices” policy in this class, but this is no longer possible due to COVID-19. Please turn off cell phones and only use laptops/tablets to take notes or participate in class-related activities. Violations will lead to deductions from your grade.

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