

FOUNDATIONS OF ENTREPRENEURSHIP

**Management B8518
Fall 2023**

**B8518-001
6:00 - 9:15pm, Wednesdays
Location: Geffen 640**

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ABOUT THE INSTRUCTOR

Welcome to Foundations of Entrepreneurship! I'm so glad that you're interested in learning about entrepreneurship, which I consider to be both a skill set and mindset that, I believe, can change your life regardless of how you intend to apply it today or in the future. My professional life to date has taken me through a wide diversity of organizations and roles that you can read through, but the common thread in my success has been an entrepreneurial mindset. I'm excited to share

more about how to obtain one and apply it with you this semester. After beginning my career at Goldman Sachs, I joined the NYC economic development corporation under Mayor Bloomberg where I launched and ran a number of programmatic initiatives aimed at making NYC a friendlier city for entrepreneurs to start and grow their companies. At the end of the administration, I left to launch and run Boulder-based startup Pivotdesk's NYC office until the company was acquired at the end of 2016. Since then, I've worked within a number of startups in various product development, marketing, and business development capacities. I then served as an entrepreneur-in-residence at MIT's Martin Trust Center for Entrepreneurship for 5 years where I ran programs such as their premier student accelerator MIT Delta V, coached hundreds of student entrepreneurs, and taught two classes (advanced startup tactics and corporate entrepreneurship) as a senior lecturer in entrepreneurship at MIT Sloan. Currently, I serve as the VP of the career business franchise at the U.S. News and World Reports where I'm building a new business unit that will help U.S. News' audience explore and make decisions about their careers. I also advise two early-stage companies, dynocardia and surestart, and am the co-founder of [Crabwalk](#), an education and coaching company that builds career agility and is based on one simple principle: you don't have to walk in a straight line to move forward in your career.

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 entrepreneurs, as well as students who want to work for a startup, operate entrepreneurially within a more mature organization, invest in new ventures, or some combination thereof.

Each class session is devoted to a particular topic, which we cover through a combination of lecture, case-based, discussion, and in-class activities. Specific topics covered include: characteristics of successful startups and entrepreneurs; techniques for generating, identifying, and evaluating new ideas; forming and maintaining effective teams; customer discovery and acquisition; unit economics and business models; fundraising and valuation; entrepreneurship in international contexts; startup culture; exits; career tradeoffs; and learning how to pitch yourself and your business. Many class sessions also include a guest speaker, ranging from recent entrepreneurs, including many CBS alumni, to high-profile VC's 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 designed for students who have limited-to-no experience in the startup ecosystem. This course also serves as a prerequisite for Launch Your Startup.

In this course we seek to answer the following questions:

- How do I distinguish interesting ideas from real opportunities?

- How do I go from a real opportunity to a viable business model?
- How do I turn a 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?
- What can entrepreneurship do for me?

By the end of the course, you will know and be able to do the following:

- Identify and refine entrepreneurial ideas and apply them to core elements of a business.
- Calculate unit economics and other key financial metrics for various types of business models.
- Effectively identify early customers to gain and embrace their feedback.
- Understand co-founder motivations to minimize tensions that often tear founders apart.
- Pitch ideas to investors, partners, and potential employees.
- Analyze different sources of financing and when each is most appropriate.
- Decide when and how to exit.

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.

Foundations of Entrepreneurship provides a broad survey of concepts and concrete skills designed to benefit aspiring entrepreneurs, as well as those who want to work for an early-stage startup, operate entrepreneurially within a more mature organization, and/or invest in new ventures. While all are welcome, this course is designed for students who have limited-to-no experience in the startup ecosystem. If you want some exposure to the world of entrepreneurship and you’re not sure where to start, this course is for you.

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 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 enroll in **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. Lecture slides and videos will be posted after each class session. There is no textbook.

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

1. Class Attendance and Participation:

We 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.
4. Asks a relevant question that helps provide clarification related to the discussion.

Class attendance also requires that the post-session reflection be filled out. This is a very short survey that will be provided at the end of every class. Students must stay for the entire duration of class, and fill the survey out before class ends.

In addition to regular class participation, there is an option to obtain advanced participation. At the beginning of each class, we will have 15 minutes set aside to discuss the “headline of the week.” Relevant stories to this class would be anything pertaining to the entrepreneurial ecosystem - news about a startup, an investment, or an industry event. For example, if we had been together over the past few months, we might have wanted to discuss the collapse of Silicon Valley Bank, the effect of ChatGPT on the education industry, and the governance issues that led to the indictment of Sam Bankman-Fried. In order to get credit for advanced participation, you must do the following:

- Submit an article in Canvas and a 5 - 10 bullet point summary of it by 11:59pm the night before class
- Be prepared to talk to our class about the article

You will get credit for advanced participation as long as you submit an article, whether you have the opportunity to share your thoughts with the class or not.

You can submit an advanced participation article up to 3 times throughout the semester (but only once per class). Your grading will be improved as follows for submitting advanced participation:

- 1 article submission = 10% bump in your overall participation grade
- 2 article submissions = 20% bump in your overall participation grade
- 3 article submissions = 30% bump in your overall participation grade

Note: this does not exempt other students from participating in discussion!!

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 TA and Professors 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. Plan to sit in the same seat for each session, and bring your name cards to every class.

In addition to regular class participation and advanced participation, you must also participate in this semester’s ‘success coaching’ program. Much of the role of the entrepreneur/founder is to sell - a vision, a product, an investment opportunity, and so much more - at the core of all of this are communication and storytelling. Both of the aforementioned skills are nuanced and can be coached. Over the course of the semester, you will all have the opportunity to work with a success coach to help best prepare you for your final presentation.

- To receive credit for participation in the success coach program, each student in every group must attend a minimum of 1 success coaching session with the success coach.
- Students and their groups must actively engage the coach, come prepared to the session, and detail the recommended advice in a post-session reflection.

2. Quizzes and Other Assignments:

Some class sessions require you to complete an online quiz or assignment on Canvas.

Submissions are due by 7 pm the night before class. If the assignment includes a case study, 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.

3. Midterm Presentation and Final Paper and Presentation

By the end of Class 2, students will form self-selected groups of 3-to-5 students to explore and develop an idea for a new business. We will be forming these groups during classes 1 and 2, and all groups must formally submit their teams in Canvas. At the end of the semester each group will make a 10-minute final presentation of their new venture to their fellow classmates. For the presentation, teams will prepare a 10-to-12-slide power point pitch targeted for an investor audience (or another relevant audience of your choosing). A final paper is also required. The paper should be a maximum of two single-spaced pages (12-point font). Both the paper and the power point are to be submitted on the last day of class.

We will also do a mid-term presentation to check in on your progress. This will be a 5 minute presentation that consists of 4 slides:

- 1 slide on your customer discovery efforts to date
- 1 slide on your customer discovery findings to date
- 1 slide on your proposed solution
- 1 slide on your Business Canvas to date

Your final will be graded along four dimensions: [1] your entrepreneurial insights about your venture; [2] the learning and progress that has occurred throughout the semester; [3] the diligence with which you have executed regarding your venture; and [4] the quality of the pitch or presentation, which includes both content and delivery. We are looking for interesting solutions to specific problems that you're excited to solve. We want to see deep insights about an initial target customer. We don't expect your ventures to be "ready-to-launch" by the end of the semester but instead that it has 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 final presentation should address the following aspects of your proposed venture:

- 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 Proposed Financing
- Where you want to take your idea from here (Will you continue on with it or not? If so, what will your next 6 months entail? If not, why and what have you each learned from this experience?)

The paper should be a 2 page written summary of the above presentation. This should be in memo form and we are firm about not going over 2 pages.

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.....	20%
Participation	20%
Quizzes and Other Assignments.....	10%
Midterm Presentation.....	15%
Final Presentation and Paper.....	20%
Peer Participation Form.....	15%

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

Please turn off cell phones and only use laptops/tablets to take notes or participate in class-related activities. We may request that you put away your laptops if I find them to be distracting. Violations will lead to deductions from your grade.

Class 1: Welcome + Overview of the Semester

Topics/Agenda:

- Welcome & Course Overview
- Introductions
- What an entrepreneurial skill set and mindset can do for you throughout your career
- How to turn ideas into businesses + a brief intro of Disciplined Entrepreneurship
- Other topics:
 - The reality of entrepreneurship
 - What it takes to be an entrepreneur

- The power of CBS in life after school in building your business
- Expansion on turning ideas into businesses
- Pitching for projects

Deliverables: [1] Complete the pre-class survey on Canvas to help us understand your reasons for taking this class.
 [2] Upload your resume to Canvas
 [3] If you have a venture idea that you would like to explore in class, be prepared to deliver a (very casual!) one-minute pitch of your idea. If you don't have an idea but would like to share your area of interests and/or relevant experiences in order to seek out complimentary teammates, you can deliver a one-minute pitch about yourself too!

Guest Speakers: TBD

Class 2: How to get started + Finalizing Group Projects

Topics/Agenda:

- How to find a great problem to solve
- How to conduct really good Primary Market Research (PMR)

Deliverables: [1] Listen to 1 “How I Built This with Guy Raz” podcast and complete related questions in Canvas.
 [2] Choose any organization you want (preferably a small one or a startup)
 OR you can choose an MIT Team project from list below (the fun part is that I know these teams, and can tell you what really happened!):

- MIT 2021 delta v teams <https://entrepreneurship.mit.edu/accelerator/2021-delta-v/>
- MIT 2019 delta v teams Live Sports Markets, Nextiles or Season Three
<https://entrepreneurship.mit.edu/accelerator/2019-delta-v/>
- MIT 2018 delta v teams Atolla, Context Insights or Waffle: <http://entrepreneurship.mit.edu/accelerator/2018-teams/>

and complete the DE Canvas for that company. Go through the full canvas for this company (and you will have to make some assumptions but state them)

- Give a Green dot to areas of strength
- Give a Yellow dot to areas that are not strong but you don't see as good enough to not be life threatening
- Give a Red dot to the areas that you see as weaknesses and could be fatal

Do your color coded rating for the full box not the individual line items

[3] Bring your one minute pitch!!

[4] Submit your question for our guest speaker in Canvas

Readings: [1] PMR Guide Chapter from DE Workbook (PDF)
[2] Talking to Humans 10 Dos + Don'ts (PDF)

Guest Speakers: TBD

Class 3: Customers - Carly

Topics:

- Personas
 - beachhead market
 - end user profile
 - TAM
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Guest Speaker: TBD

Deliverables:

- [1] Respond to questions in Canvas related to the assigned videos.
 - [2] Submit your question for our guest speakers
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Readings/Videos:

- [1] Read [Know Your Customers' "Jobs to Be Done"](#)
- [2] Watch How to Select a Beachhead Market Video: <https://www.youtube.com/watch?v=Yhi8rbc54k0>
- [3] Watch End User Profile Video: <https://www.youtube.com/watch?v=3VBALxubDzI>
- [4] Watch How to Make a Detailed Persona Profile Video <https://www.youtube.com/watch?v=YDonCSaAcGs>

Class 4: Founding Teams + Co-Founder Relationships

Topic:

- Founding teams
 - Co-Founder Relationships
 - Founder Self Discovery
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Guest Speaker: TBD

Deliverables: [1] Respond to the list of co-founder questions in Canvas

Readings/Video (To be finalized - readings might include the below): [1] Watch YC's Co-Founder Mistakes That Kill Companies & How To Avoid Them:

<https://www.ycombinator.com/library/DZ-co-founder-mistakes-that-kill-companies-how-to-avoid-them>

[2] Read Stitch Fix Co-Founder to Reap Millions in IPO; her Partner is a Footnote:

<https://www.wsj.com/articles/retailers-co-founder-to-reap-millions-in-ipo-her-ex-partner-is-a-footnote-1510741803>

[3] Read Harvard Business Review's The Very First Mistake Most Startup Founders Make

<https://hbr.org/2016/02/the-very-first-mistake-most-startup-founders-make>

[4] Listen to Founder's Journal's My Co-Founder:

<https://podcasts.apple.com/us/podcast/the-crazy-ones/id1509276485?i=1000515762720>

[5] Review Y Combinator's Co-Founder Matching:

<https://www.ycombinator.com/cofounder-matching>

[6] Review Y Combinator's Questions To Discuss With Potential Co-Founders:

<https://www.ycombinator.com/blog/10-questions-to-discuss-with-a-potential-co-founder>

[7] Read The most important questions to ask a potential co-founder:

<https://blog.dormroomfund.com/post/the-most-important-questions-to-ask-a-potential-co-founder>

[8] Read 34 Questions to ask a potential co-founder:

<https://fi.co/insight/34-questions-to-ask-a-potential-co-founder>

[9] Listen to Founder's Journal's Picking a Co-Founder:

<https://podcasts.apple.com/us/podcast/the-crazy-ones/id1509276485?i=1000508171273>

Class 5: Financing

Topics:

- Rationale For Raising Financing
 - How do I know if I need VC funding?
- Sources of financing
 - Equity vs. Debt
 - Friends and Family vs. Angel
 - Angel vs. VC
 - VC vs. Growth/PE
 - Alternative Sources of Funding
- Types of Equity
 - SAFES vs. Convertibles
 - Convertibles vs. Priced Rounds

- Other Considerations
 - Stages of Financing
 - Valuations
 - How to find the right VC for your venture
 - Deal Structures/Agreements
 - Negotiation/Process

Guest Speakers: TBD

Deliverables: [1] Complete questions in Canvas
 [2] Submit your question for our guest speaker

Readings (To be finalized - readings might include the below):

- [1] Read Harvard Business School's, How To Finance A Business: 4 Options
<https://online.hbs.edu/blog/post/how-to-finance-a-business>
- [2] Read glossary of venture investment terms at <https://fundersclub.com/learn/glossary/>
- [3] Read USV Thesis 3.0: <https://www.usv.com/writing/2018/04/usv-thesis-3-0/>
- [4] Read Building an Investor Pipeline Spreadsheet
<https://www.slideshare.net/jefielding/building-an-investor-pipeline-spreadsheet-keep-you-r-funding-flowing>
- [5] Is Venture Capital Worth the Risk? [Is Venture Capital Worth the Risk The New Yorker.pdf](#)
- [6] Read How Venture Capitalists Make Decisions:
<https://hbr.org/2021/03/how-venture-capitalists-make-decisions>
- [7] Read Series C Isn't What it Used To Be:
https://news.crunchbase.com/venture/series-c-funding-decline-q1-2023/?utm_source=cb_weekend&utm_medium=email&utm_campaign=20230422
- [8] Read Series D Startup Funding Down:
https://news.crunchbase.com/venture/series-d-startup-funding-down/?utm_source=cb_weekend&utm_medium=email&utm_campaign=20230506
- [9] CB Insight's - The State of Venture In 5 Charts: Funding and Deals Continue Their Slide in Q1 '23 to Pre-Pandemic Levels -
https://www.cbinsights.com/research/report/venture-trends-q1-2023/?utm_source=CB+Insights+Newsletter&utm_campaign=031b2fe4a7-EMAIL_CAMPAIGN_2023_04_12_11_05&utm_medium=email&utm_term=0_9dc0513989-031b2fe4a7-98374213
- [10] Pitchbook's - VC Fundraising Screeches To a Halt In Q1 -
<https://pitchbook.com/news/articles/fundraising-down-vc-2023-q1>

Class 6: What can you do for your customer? Product + Competitors

Topics:

- What is an MVP and why do we do MVPs?

- Designing an initial MVP
- Value proposition + core
- Competitors

Guest Speakers:TBD

Deliverables: [1] Submit a Product brochure for your group project (includes a description of product or service)
 [2] Submit a Value Proposition statement for your group project - feel free to use Mike Troiano's positioning statement structure as your guide
 [3] Complete and submit Chart Your Competitive Position worksheet

Readings/Videos:

[1] Watch Start with Why - Simon Sinek:

https://www.youtube.com/watch?v=u4ZoJKF_VuA

[2] Watch Startup Positioning: How to tell your story with Mike Troiano (35:00 - 45:45)

[3] Read The Minimum Viable Testing Process for Evaluating Startup Ideas (first 3 sections of the article):

<https://review.firstround.com/the-minimum-viable-testing-process-for-evaluating-startup-ideas#the-case-against-the-minimum-viable-product#whats-a-minimum-viable-test>

Class 7: Mid Semester Check In - Presentations

Topics: - Mid Semester Presentation on your venture project
 - Questions about your group projects or anything we've learned so far

Deliverables: 4 slide group presentation on your venture to date:

- 1 slide on your customer discovery efforts to date
- 1 slide on your customer discovery findings to date
- 1 slide on your proposed solution
- 1 slide on your Business Canvas to date

Readings: None

Class 8: Startup Culture + Pitching

Topics:

- The Importance of Communication
 - Learning How to Pitch Yourself & Your Business
 - The Power of Email
- Startup Culture/Company Values
- Hiring + Firing

Guest Speakers: TBD

Deliverables:

- [1] Work on your final project based on the feedback you received in your mid-semester check in
 - [2] Respond to the question in Canvas.
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Readings (To be finalized - readings might include the below):

- [1] Read Netflix Culture Document: <https://jobs.netflix.com/culture>
- [2] Watch Culture w/ Brian Chesky (Co-Founder + CEO of Airbnb)
<https://www.youtube.com/watch?v=px5rgeNjOTc> 11:30 - 27:30 OR How HubSpot Built Its Famed Culture w/ Dharmesh Shah (Co-Founder + CTO of HubSpot)
<https://underscore.vc/startupsecrets/culture-as-product-hubspot-culture/>
- [3] Read Whole Foods Values:
<https://www.wholefoodsmarket.com/mission-values/core-values>
- [4] Read Twilio Values: <https://www.twilio.com/company/values>
- [5] Read Marriott Values: <https://www.marriott.com/culture-and-values/core-values.mi>
- [6] Read The Perfect Investor Deck for a Seed Round
<https://www.startuphacks.vc/blog/2015/12/31/the-perfect-investor-deck-for-seed-round>
- [7] Patagonia Values: <https://www.patagonia.com/core-values/>
- [8] Pitching Your Startup in a Remote-First World:
<https://www.forbes.com/sites/forbesagencycouncil/2023/03/03/pitching-your-startup-in-a-remote-first-world/?sh=7b0bflc43cc0>
- [9] Scott Galloway's, Storytelling <https://www.profgalloway.com/storytelling/>

Class 9: Things you won't read, Social Entrepreneurship + International Entrepreneurship

Topics (TBD):

- What it takes
- What I wish I knew when I started
- Failure
- Social Entrepreneurship + International Entrepreneurship

Guest Speaker: TBD

Deliverables: [1] Work on final project
[2] Submit your question for our guest speaker

Readings: TBD

Class 10: Go to Market - Carly

Topics:

- Customer Acquisition
- CAC and LTV (unit economics)
- Sales 101

Guest Speaker: TBD

Deliverable: Submit your question for our guest speaker

Readings: [1] *Optional - Read* Predictable Revenue by Aaron Ross
[2] *Optional - Read* What is a sales funnel, examples and how to create one -
<https://www.crazyegg.com/blog/sales-funnel/>
[3] <https://hbswk.hbs.edu/item/how-uber-airbnb-and-etsy-attracted-their-first-1-000-customers>

Class 11: Exits + Career Tradeoffs

Topics:

- Exit strategies
- Career tradeoffs + a refresh of what entrepreneurship can do for you
- Costs of doing a startup
- What type of entrepreneurship is right for you?

Guest Speakers: TBD

Deliverables:

- [1] Work on your final presentations
 - [2] Submit your question for our guest speaker
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Reading: Read Founders' Dilemma: <https://hbr.org/2008/02/the-founders-dilemma>

Class 12: Final Pitches

Topic: Final Presentations of Venture Projects

Speakers: Students!!

Deliverables: Upload final papers and powerpoint presentations to Canvas.

CONGRATULATIONS!