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New Venture Creation

New Venture Creation Programme
Aurore Hochard
Head of Entrepreneurship Programmes
T: 020 7040 3553
E: aurore.hochard@city.ac.uk
www.cass-city.ac.uk

Welcome

Dear all,

In front of you lies the syllabus for New Venture Creation. This course will take you on a journey where you will gain a new understanding about what new venture creation is, why it matters and what you must to do to lead the effort. We will explore the many dimensions of new venture creation and growth. We will be concerned with content and process questions as well as with formulation and implementation issues that relate to conceptualising, developing, and managing successful new ventures. The course may appeal to individuals who want to launch their own business or pursue employment with a start-up firm. Students who intend to work in the venture capital industry or in professional businesses supporting entrepreneurial firms will also benefit from the course.

To accomplish our objectives, I have carefully selected a variety of learning techniques: lectures, guest talks from prominent entrepreneurs and investors, readings, presentations and most importantly, class discussion of case studies. Please prepare for every session by reading in advance the cases that will be discussed.

This just leaves me to say that I look forward to our journey and I hope that you will enjoy it too.

See you in class on 7th April 2017!

Professor Costas Andriopoulos

Module outline and aims

Many EMBA and MBA students choose to create their own business after finishing their degree course.

The process of developing a new venture involves testing the commercialisation of a business idea and choosing the best options for developing the business, including: assembling resources; protecting intellectual property; developing the business model; identifying and targeting the market and attracting funding.

This module equips you with the knowledge you require to develop and refine your business creation strategy and provides an academic underpinning to the process.

The aim of this module is to provide you with the broad knowledge and understanding of the entrepreneurial and innovation agenda, the need for innovation and all aspects of the new venture creation process including feasibility testing, marketing financial forecasting and securing finance. You will be expected to come to this practical programme with a business idea which you intend to develop. Your business concept plan will be reviewed prior to the start of the formal teaching of the module to ensure its suitability. At the end of this module you will be able to produce a comprehensive business plan so you can then launch a business.

LEARNING OUTCOMES

Upon completion of the course participants will be able to:

- Evaluate the viability of a high-potential new venture
- Produce and present a business plan for a new venture
- Understand the theoretical foundations of entrepreneurship
- Analyse a new or growing venture from the perspective of an investor, a family business successor, or an owner-manager
- Understand venture capital finance, business angels and crowdfunding
- Understand the basic principles behind franchising
- Evaluate the mechanisms through which firms can protect their intellectual property
- Develop business planning skills.

Readings

RECOMMENDED TEXTBOOK

Barringer, B. and Ireland, D. (2012), *Entrepreneurship: Successfully launching new ventures*, Global Edition, Pearson Education, Available online.

SELECTED READINGS

Please check each session for more information.

ARTICLES

Academic journals: *Academy of Management Journal, Academy of Management Review, Academy of Management Perspectives, British Journal of Management, Entrepreneurship Theory and Practice, Journal of Business Venturing, Journal of Management Studies, Journal of Management, Long Range Planning, Strategic Management Journal, Strategy Global Journal, Strategic Organization, Technology Analysis and Strategic Management.*

Practitioner-oriented journals and business press: *Bloomberg Markets, Business Week, California Management Review, Economist, Fast Company, Financial Times, Fortune, Harvard Business Review, Management Today, MIT Sloan Management Review, Wall Street Journal.*

WEB RESOURCES

The following are useful web resources in the New Venture Creation context:

- To find out more information on specific company strategies of the various companies that we focus on or refer to in this course, please visit their respective websites
- Podcasts: Search iTunes but I suggest:
  - HBR Idealist
  - The Economist
  - High Performance Business Podcast Series (produced by Accenture)
  - iTunes U (various)

Class participation

The fundamental condition for class participation is attendance.

I expect you to attend all sessions.

If you can't attend a session for reasons of illness or other urgent situations, you must inform me in advance by email and include a plan for catching up on the information you will miss.

Note also that attending class is not enough. I expect that you participate actively in class discussions.

Each session will consist of a combination of lecture and discussions of the session's topic. In the majority of sessions, we will use cases/exercises to illustrate how these concepts can be applied in specific strategic situations. These require advance preparation. It is absolutely essential that you do this carefully. I expect you to read the assigned case for each session in advance of the class. Read the case several times and think about how the concepts from the recommended reading or discussed in class can be applied. Make notes that you can refer to during class. You are encouraged to meet with other fellow classmates before class to discuss the case. Try not to leave working on these tasks until last minute – this may be stressful for you and it usually leads to poor quality learning. Keep in mind that you may have several tasks due for completion around the same time (for different courses) and that you will need to plan for this.

In class, you are expected to analyse the concepts from the case. If you cannot answer the questions, you are not prepared for class. I may, on occasion, "cold call" class members to establish an even level of participation throughout the sessions. I expect you to participate actively in class to help your learning and that of your peers. A productive learning environment requires active engagement of all class members.

THREE FACTORS DETERMINE GOOD CLASS PARTICIPATION:

1. Given thorough and careful preparation, you should be able to identify the important managerial issues related to each case.
2. You should be able to use that analysis to define a concise and logical position on the issues. Please avoid pure repetition of case facts. You should be able to show how a particular concept is illustrated in the case or suggest how the substantive problem presented in the case can be solved.
3. You should be able to analyse constructively the positions your classmates take. Remember it is the quality of your participation, not the quantity (or "air time"), that will lead to good performance in class discussion.

DOs

- Contribute ideas and analysis to the situation
- Listen carefully to your classmates and suggest supporting or alternative views
- Recognise the flow of discussion
- Keep an open mind
- Bring an outside perspective
- Be provocative, yet constructive.

DON'TS

- Do not repeat yourself and others
- Do not "cut" others to "score points".

> "80% of success is just showing up"
>
> Woody Allen, Filmmaker

Assessment

YOUR FINAL GRADE WILL BE DETERMINED BY:

- Your Business Plan (4,000 words)
- Deadline to submit: **8th May 2017 (9pm)**

This module requires you to submit a business plan, which will be reviewed prior to the commencement of the module and formal assessment. You will be provided with information regarding the format of this submission and with clear guidance regarding what is acceptable for this piece of work.

ASSESSMENT

You will be required to produce a comprehensive business plan outlining how you will take your business idea forward. The plan will include an executive summary explaining why the business is viable. Evidence of primary and secondary market research, financial data and a development plan will also be required. The plan will be a detailed document of up to 4,000 words.

Class schedule

Friday 7th April 2017
10:00-18:00, 200 Aldersgate

PITCH ME

All students have 60 seconds to pitch their start up ideas to Professor Costas Andriopoulos and Ms. Aurore Hochard.

Course overview

What is entrepreneurship?
Why is it important?
Why become an entrepreneur?
What do entrepreneurs do?
What is innovation?

Readings:

Chapter 1, Introduction to Entrepreneurship

Bhide, A. (1996), "*The questions every entrepreneur must answer*", Harvard Business Review, November-December, pp. 120-130

Guzman, J. and Stern, S. (2015), "*Where is Silicon Valley?*", Science, 6th February, Vol. 347, Iss. 6222, pp. 606-609

Kiefer, C., Brown, P. (2012), "*New project? Don't analyze - Act*", Harvard Business Review, March, pp. 154-158

Guest speaker:
Susan Cooper, CEO and Co-founder, Accutrainee

Susan trained and practised in the banking department at Hogan Lovells International LLP. She's passionate about creating opportunities for talented graduates, whatever their background. She has 10 years' management experience during which she also completed an Executive MBA with distinction from Cass Business School. Susan looks after all the day-to-day tasks involved with running a business and also leads the assessment centres.

TURNING IDEAS INTO COMPELLING OPPORTUNITIES

Readings:

Chapter 2, Recognising opportunities and generating ideas

Chapter 3, Feasibility analysis

Chapter 6, Intellectual Property: protecting your ideas

Baron, R. (2012), *Essentials of Entrepreneurship*, Edward Elgar Publishing, Cheltenham, UK

In-class exercises:

DISCOVERING IDEAS FOR INNOVATION

Guest speaker:
Rosie Burbidge, Intellectual Property Lawyer, at Fox Williams

Rosie is an associate in the Commerce & Technology department. She advises clients on the protection and exploitation of their intellectual property rights at UK and European Union level. Rosie focuses on dispute resolution in the United Kingdom, particularly designs, copyright and trade mark litigation. She also has extensive experience of co-ordinating brand protection and enforcement across multiple jurisdictions and online. Rosie has advised on a wide range of issues affecting the fashion and luxury goods sectors including whilst on secondment to a well-known luxury goods business.

Saturday 8th April 2017

09:00-18:00, 200 Aldersgate

BUSINESS PLAN, PITCHING OPPORTUNITIES AND BUSINESS MODEL CANVAS

Readings:

Chapter 4, Writing a business plan

Chapter 6, Developing an effective business model

Elsbach, K. (2003), "H*ow to pitch a brilliant idea*", Harvard Business Review, September, pp. 117-123

McGinn, D. (2012), "*Too many pivots, too little passion*", Harvard Business Review, September, pp. 134-135

Sahlman, W.A. (1997), "*How to write a Great Business Plan*", Harvard Business Review, July-August, pp. 98-108

In-class exercises:

PITCHING, PITCH DECK, STORYTELLING, BUSINESS MODEL CANVAS

Guest facilitator: **Emma Zangs,** Why body awareness matters in the context of pitching/presenting/public speaking

Emma, co-founder of Metaspeech, is a choreographer and pitch coach in residence at Wayra UK, Telefonica's Accelerator. She delivered DemoDay and pitch training for entrepreneurship programmes such as Seedcamp, Google Entrepreneurs, Accelerator London at The Met University, Spark (Design Council) and Cass Business School. Also part of Sadler's Wells development programme for young artists, her entrepreneurial and artistic hats are very complementary in order to give depth to her training.

LEADING THE NEW VENTURE TEAM

Readings:

Chapter 9, Building a new-venture team

Dawson, P. and Andriopoulos, C. (2014), *Managing Change, Creativity and Innovation*, Sage Publications, Chapters 9-10

Guest facilitator: **Aryana Shahrazad Khan,** session on mindfulness

Aryana is herself a Cass *alumna* and it was during her time at Cass that she began to deepen her interest in yoga, mindfulness and meditation practices. Having trained as an Ashtanga Vinyasa yoga teacher, her main day job is still in finance, but strongly believes helping and encouraging others to make space for themselves during the busy working day should always be a top priority.

Note on session: Please join us for a short introductory session to mindfulness (we will be stretching a little but no special clothing/footwear required).

Guest speaker:

Andrea Morris, Director of Sales UK/Ireland & Off Price EU

Andrea is responsible for managing and directing the wholesale business for Tory Burch LLC across the UK and Ireland covering a multitude of product categories, some of which include RTW, swimwear, shoes and handbags. She is focused on accelerating growth while maintaining required margins targets across multiple markets. Working closely with PR/marketing, Andrea communicates brand awareness along with brand image to the consumer from a product point of view. In her present role, she works closely with stores such as Harrods, Selfridges, Harvey Nichols and Net A Porter/Yoox group selling in and managing each new season's collection. She has functioned in a sales capacity since 1993 and has worked for many high-level and mass market fashion houses such as Guess, Nautica, Ecko, and Kenneth Cole Creation.

Sunday 9th April 2017

09:00-18:00, 200 Aldersgate

FINANCING ENTREPRENEURIAL VENTURES

Readings:

Chapter 10, Getting Financing or Funding Building a New-venture team

Bhide, A. (1992), "*Bootstrap finance: The art of start-ups*", Harvard Business Review, November-December, 109-117

Case discussion: Golfgamez (A) (W13133) and Golfgamez (B) (W13134)

Study questions:

1. What questions does MacTavish face? How would you prioritise these issues?
2. Develop a spreadsheet to estimate the potential revenues, as well as capital and operating costs, for Golfgamez. One person will be randomly selected in class to "show the numbers."

MARKETING ENTREPRENEURIAL PRODUCTS/SERVICES

Readings:

Chapter 10, Marketing Issues

Kaikati, A. and Kaikati, J. (2004), "Stealth marketing: How to reach consumers surreptitiously", California Management Review, Vol. 46, No. 4, pp. 6-22

Guest speaker:
Aurore Hochard, Head of Entrepreneurship Programmes, Cass Business School, Network like a Pro!

The idea of networking and selling yourself can sometimes be terrifying. Regardless of what kind of business you're building, networking will play a role in the growth of your business and if you do it well, your connections will pay off!

After a rewarding career as a teacher and tech entrepreneur in the USA and UK, Aurore came back to the education industry to share her passion for entrepreneurship with Cass Business School faculty, staff and students. As well as supporting students contemplating an entrepreneurial venture, Aurore enjoys working with small and large businesses. By creating and running entrepreneurship programmes and events, including startup weekends and hackathons, Aurore helps businesses be more competitive by fostering a culture of entrepreneurship and developing more 'intrapreneurs' in their organisations.

MASTERING GROWTH

Readings:

Chapter 13 Preparing for and evaluating the challenges of growth

Chapter 14 Strategies for firm growth

Chapter 15 Franchising

Guest speaker:
Ricardo Varela, Localistico

Ricardo is the founder of Localistico (http://localistico.com), a local marketing platform that helps businesses like Starbucks or O2 drive more footfall by linking online and offline data for their brick and mortar locations. He previously worked in projects at Telefonica, Yahoo, Google and Microsoft.

Monday 10th April 2017

09:00-18:00, 200 Aldersgate

ENTREPRENEURSHIP WITHIN ESTABLISHED CORPORATIONS

Readings:

Lewis, M., Andriopoulos, C., and Smith, W. (2014), "*Paradoxical leadership to enable strategic agility*", California Management Review, Vol. 56, No. 3, pp.58-77

Kuratko, F., Hornsby, J., and Covin, J. (2014), "*Diagnosing a firm's internal environment for corporate entrepreneurship*", Business Horizons, Vol. 57, pp. 37-47

Stringer (2000), "*How to manage radical innovation*", California Management Review, Vol. 42, No. 14, pp. 70-88

Guest speaker:
Glyn Povah,
Telefonica Digital

Corporate entrepreneur teaching elephants to dance. Breaking the rules and trying to get fired every day, Glyn created his own startup in Telefónica using big (small) data and now he's turning it into a global business. Fanatical about tech and startups. Proud global citizen and relentless traveller. Passionate about food, snowboarding and cycling.

ENTREPRENEURIAL EXITS

Readings:

Baron, R. (2014), Essentials of Entrepreneurship, Chapter 12 – Ending and beginnings: How-and when-entrepreneurs leave the companies they founded, Edward Elgar Publishing

FINAL PITCHES AND WRAP-UP

All students take four minutes to pitch their business opportunities to Professor Costas Andriopoulos, Ms. Aurore Hochard, Mrs. Helen Reynolds and Ms. Annie Krukowska.

Helen Reynolds, Investment Director at Cass Entrepreneurship Fund

Helen Reynolds is the Investment Director at Cass Entrepreneurship Fund (www.cassentrepreneurship.fund) The Fund provides growth equity to early stage UK companies, as well as providing general support and incubation facilities. It can invest alone or co-invest with other funds and business angels and typical investment size is £100,000-£500,000. Helen has 15 years of venture capital experience, including time with YFM Equity Partners, Oxford Technology Management and most recently with Crowdcube working on the London Co-Investment Fund. She focusses on seeking great new investment opportunities for the Cass Entrepreneurship Fund as well as managing the successful current portfolio.

Annie Krukowska,
Programme Director,
BBC Worldwide Labs

Annie has spent almost 20 years leading media, advertising and technology organisations through business transformation. She has worked in senior roles for BSkyB, ITV, BBC Worldwide and Microsoft Advertising. In her current role as Programme Director, Annie is responsible for strategy and delivery of the BBCW LABS, a digital media accelerator. She is also a non-executive Director and mentor to several startups and entrepreneurs.

Biography

Constantine (Costas) Andriopoulos

Constantine (Costas) Andriopoulos is Professor of Innovation and Entrepreneurship, Asssociate Dean for Entrepreneurship at Cass Business School, City, University of London as well as a member of the investment committee of the Cass Entrepreneurship Fund (www.cassentrepreneurship.fund). Prior to this, he held academic appointments at University of Strathclyde Business School (Strathclyde University), University of Aberdeen Business School (University of Aberdeen), Brunel Business School (Brunel University) and Cardiff Business School (Cardiff University). He also holds visiting posts in France (Grenoble Ecole De Management); India (Indian Institute of Management, Ahmedabad); UK (Said Business School, University of Oxford) and Greece (IHU). He holds a BSc in Business Administration, an MSc in Human Resource Management and a PhD in Marketing/Strategy.

His main teaching and research interests lie in the areas of innovation management, entrepreneurship and strategy. He has published widely in these fields and his articles have appeared in *Organization Science, Human Relations, Long Range Planning, California Management Review, European Journal of Marketing, International Small Business Journal* among others. He serves on the editorial and advisory boards of several scholarly academic and practitioner-focused journals, such as *Long Range Planning, International Journal of Entrepreneurship and Innovation* and the *Creative Industries Journal*.

He is an active member of the Academy of Management (US), Strategic Management Society (US) and the European Group for Organizational Studies (EGOS). He has engaged in several major consulting projects in both public and private sectors (e.g. financial services, new product development, oil and high-tech firms) and has led management development and training courses for business executives on the themes of innovation management, entrepreneurial thinking and strategic management in various countries including the UK, France, Greece and in the Middle East.

For further information about our entrepreneurship programmes, please contact:

Aurore Hochard
Head of Entrepreneurship Programmes
Cass Business School
106 Bunhill Row
London EC1Y 8TZ
E: aurore.hochard@city.ac.uk
T: 020 7040 3553
www.cass.city.ac.uk

www.youtube.com/playlist?list=PLhLprC18ux8vP_5E0SkOpiacpxaRwcIdo

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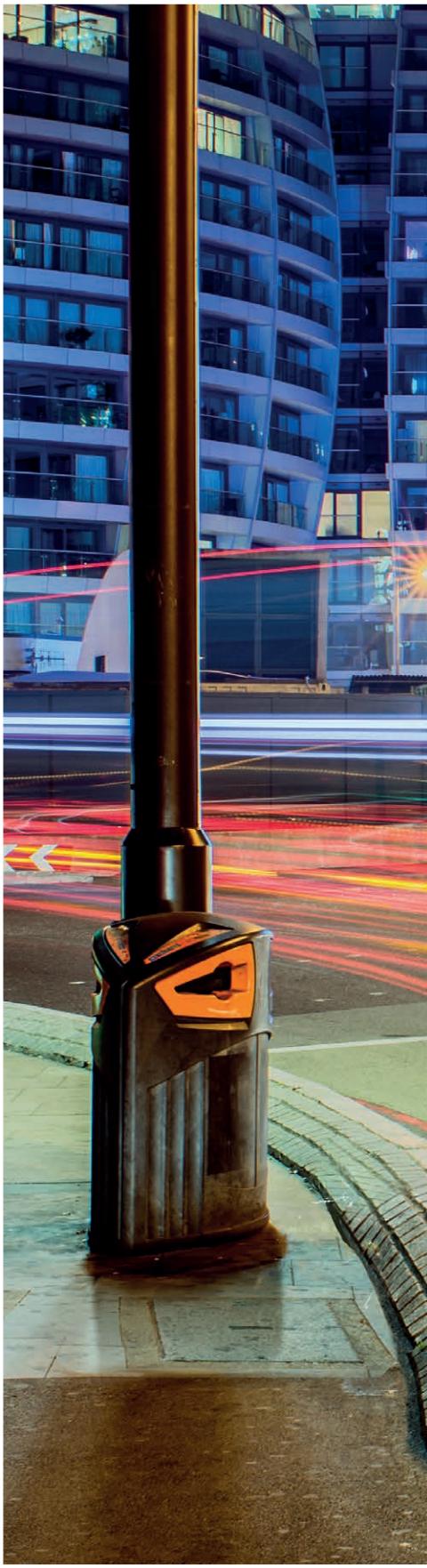

Cass Business School
In 2002, the School was renamed Sir John Cass Business School following a generous donation towards the development of its new Bunhill Row premises.

Sir John Cass's Foundation
Sir John Cass's Foundation has supported education in London since the 18th century and takes its name from its founder, Sir John Cass, who established a school in Aldgate in 1710. Born in the City of London in 1661, Sir John served as an MP for the City and was knighted in 1713.

City, University of London is an independent member of the University of London which was established by Royal Charter in 1836. It consists of 18 independent member institutions of outstanding global reputation and several prestigious central academic bodies and activities.

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