

## S356 Course Overview

### Course Description

This is an integrated lab course in entrepreneurship designed to teach students the process and tasks required to evaluate and create a new enterprise. It is organized around a project that will be undertaken by a team of 4 to 6 enrolled graduate students. Admittance to the class is by team, and all teams are formed prior to the first day of class. Each team includes at least two enrolled (Stanford) GSB students and at least one enrolled non-GSB full-time (Stanford) graduate student who has expertise of particular relevance to the idea being investigated. (See the section below on **Team Composition** for more details, including how Sloans and dual degree candidates count.) Teams are admitted to the course based on their overall potential for learning, as discussed in the separate *Guidance in Applying for S356 2009-10* (available on the Center for Entrepreneurship (CES) S356 website: [http://www.gsb.stanford.edu/CES/teaching/356\\_description.html](http://www.gsb.stanford.edu/CES/teaching/356_description.html)). In particular, the course is designed not only for students with immediate entrepreneurial aspirations, but for any student considering being involved in starting an entrepreneurial venture at some point in his or her career. See also the sections below for further details. To apply, fill out the *S356 Application 2009-10* (also available on the S356 website) which gives further details on what is required in your team's application, when the application is due, and when you will be notified whether your team has been accepted into the course.

### Course Objectives

- Help you understand the process, tasks, decisions and knowledge that are required to turn an idea into a sound entrepreneurial opportunity;
- Provide a setting for you to integrate and extend your knowledge of the core managerial disciplines through the development of a specific entrepreneurial opportunity;
- Present you with an opportunity to explore how to create an effective team and refine your personal skills for being a more productive team member;
- Help you understand the options available for acquiring resources and the process of researching an opportunity;
- Teach you how to work with specialists and resource providers to plan for and develop an entrepreneurial opportunity;
- Provide the experience of creating a comprehensive and well structured business plan for a new venture;
- Provide the experience of preparing for and presenting a plan for an entrepreneurial opportunity to potential investors.

## **Course Structure**

The course carries 3 units of credit for the Winter Quarter (course number S356), and an additional 3 units of credit for the Spring Quarter (course number S366). Teams are allowed to continue in the Spring Quarter course based on their overall potential for continued learning.

*Sections.* Each team admitted to the course will be assigned to a section of about 4 teams, with one instructor. There are two possible section schedules for Winter Quarter: Mondays or Tuesdays. (There are also two possible section schedules for Spring quarter: Mondays or Tuesdays.) See the separate ***S356 Calendars*** (on the S356 website) for the detailed time commitments of each schedule. In your application to the course, you will be able to specify which section schedules your team can commit to. For example, your team may specify that it can commit in Winter Quarter to making all the time commitments for only the Tuesday schedule, but not the Monday schedule. If too few of the applying teams have sufficient flexibility, then we may have to deny admission to some qualified teams, because we may not be able to staff sufficiently many sections on each day. So it helps us and you if you provide for as much flexibility as possible. We also try to group teams with complementary interests in the same sections and with instructors who have expertise in their project areas. Please note that you may not have the same schedule in Spring quarter. In other words, you may be in a Monday section in Winter Quarter, but your team may request a Tuesday section in Spring Quarter due to class conflicts, etc.

*Class Sessions.* These consist of lectures, panels of experts, and class discussions, all addressing topics of general relevance. Three (3) are scheduled for the Winter Quarter and four (4) in the Spring. See the ***S356 Calendars*** for when these classes are scheduled to occur.

*Section Seminars.* Section seminars are scheduled for three hours each. They are designed for teams to make formal presentations on their progress and obtain feedback from other teams' members. The purpose is to facilitate a team's continued vigorous progress in framing, studying, developing, and evaluating their entrepreneurial opportunity. Making presentations helps a team clarify the issues that they have appropriately resolved and the ones that still need further study. The presentations are also useful to students on the other teams who can learn about the challenges faced by other ventures and the various ways in which commonly faced issues can be and are resolved. They also give team members, who may be relatively inexperienced presenters, valuable practice giving oral presentations and responding in real time to questions and comments.

Giving feedback to others is a key component to the success of these seminars. In the first three seminars of Winter quarter, each of the four teams in the section will present for roughly 15-20 minutes followed by roughly 20 minutes of discussion. The fourth and final seminar of Winter quarter is planned to be different, with possibly as many eight teams from two different sections each giving a roughly 7 minute pitch for their project. We also plan to invite one or more outside panelists (entrepreneurs, venture capitalists, etc.) to this seminar. There may be about 20 minutes of total time per team for the presentation and discussion. This seminar affords the opportunity for students in the course to be exposed to more projects than just the other three in their section. It also provides the opportunity for broader based feedback to each team, from the students and instructors of both sections and the outside panelists. See the ***S356 Calendars*** for the times at which the seminars are scheduled. The four seminars in the Winter Quarter focus on developing an idea into a viable entrepreneurial opportunity and the three seminars in the Spring Quarter are directed towards the development of a formal business plan and a financing pitch.

*Instructor Meetings.* Instructor meetings are scheduled for 45 minutes per team. Your team will meet privately with your instructor(s) to facilitate your team's continued progress in the course. You will usually meet a week ahead of each section seminar to help you prepare for, among other things, the presentation you will be making. There may also be deliverables specified in the assignment (*S356 Instructor Meeting Assignments*). There will almost always be instructions in the assignment for preparations and topics to be discussed during the meeting.

*Meetings with Mentors.* Each team will be assigned a mentor from the venture capital or entrepreneurial community, to provide more specialized advice and guidance. Your team is expected to meet with your mentor a minimum of four times in the Winter Quarter and three times in the Spring Quarter. In particular, your team is expected to meet with your mentor each week in which you have an instructor meeting and your team is expected to take the initiative on scheduling the meetings. The nominal purpose of the scheduled meetings is to help you prepare for the next section seminar, but your team and your mentor may use the time as you collectively see fit. Additional interaction and meetings with mentors are encouraged.

*Final Deliverables.* The final deliverables at the end of Winter Quarter are: a short written report on your project providing an overview of your entrepreneurial opportunity and the rationale for further development of it into a full fledged business plan (or not) in the Spring and a brief memo describing the experience of the group in creating and functioning as an effective team. For each team continuing in the Spring Quarter, the final deliverables are a formal business plan to launch the potential company, and a financing pitch to a panel of faculty, venture capitalists, and entrepreneurs. You are also required to prepare a written executive summary of your business plan, to be distributed in advance to the panelists who will be at your financing pitch. In preparation for your final oral report, your team will make a preliminary presentation to faculty and students in a section seminar, and obtain guidance from the GSB communication consultants. Your team is also required to conduct a final feedback exercise within your group to cement your learning about working and leading within a team.

### **Course Requirements**

To achieve the course objectives in the Winter Quarter, students are required to:

- Prepare for and actively engage in all class sessions;
- Email the required deliverables to Yuri Woo, the administrative course coordinator, and your instructor(s) as will be specified in advance of each instructor meeting and section seminar. Provide any hard copy deliverables specified by your instructor(s).
- Prepare for, contribute to, and actively engage in all section seminars and formal team meetings;
- Actively contribute and participate as a team member;
- Prepare the written reports discussed above.

To achieve the course objectives in the Spring Quarter, students are required to:

- Prepare for and actively engage in all class sessions;
- Email the required deliverables to Yuri Woo, the administrative course coordinator, and your instructor(s) as specified in advance of each instructor meeting and section seminar. Provide any hard copy deliverables specified by your instructor(s).

- Prepare for, contribute to, and actively engage in all section seminars and formal team meetings;
- Actively contribute and participate as a team member;
- Meet with GSB Communication Consultants;
- Conduct the specified Final Feedback Exercise with your team;
- Prepare the written business plan, present the preliminary oral report, and give the final presentation, as discussed above.

*Time Requirements.* There are numerous time requirements for this course, shown in the **S356 Calendars** for each of the section schedules. For example, each of the section seminars will take place during the 3:15 - 6:15 PM time period and all team members must be present during that entire time. The Final Presentations of this two-quarter course are extremely important and all team members must participate in person in their team's presentation. A team's Final Presentation will be scheduled on June 2, 3, or 4, at a time that will avoid all Stanford University scheduled academic class conflicts that are responsibly identified by that team. If you have any possible schedule conflicts, these should be noted in your application form.

### **Team Composition (Further Details)**

The purposes of requiring teams of both enrolled GSB and non-GSB students in S356 are to: a) experience the challenge of attracting talent from different backgrounds; b) provide experience in working with a diverse core group; and c) create a richer learning environment for all students than would otherwise be afforded by having a more homogeneous team composition. Dual-degree MBA students (who are enrolled full time) are wild cards who can count as either GSB or non-GSB students. The same goes for Sloans, with one important exception. The exception is that any team with three or more Sloan students must have at least two non-Sloan full time enrolled graduate students on it. The reason for this exception is to enhance the learning experience of all involved. For this reason, our preference is that Sloan students join separate teams. We strongly recommend that first year MBA students wait until their second year to take this course, even if they can fit it into their schedule this year.

*Adjunct Stanford Students.* Teams may request that they be allowed to have an *adjunct* team member (not enrolled in S356 for credit) who would add a significant positive dimension to the team. **However, having an adjunct non-GSB team member does not fulfill that team's requirement to have an enrolled non-GSB student on their team.** Adjunct team members, if allowed to participate, will be allowed to attend class sessions and formal team meetings, etc. In the case of section seminars, instructors may require some teams with adjunct team members to seek approval from other groups in their section before allowing them to observe or participate in presentations other than those of their group.

*Non-Stanford Adjuncts.* Teams may request that they be allowed to have an adjunct team member who is not even an enrolled Stanford student. The instructor will decide on a case-by-case basis the extent to which such a person will be allowed to participate in class sessions, section meetings, and formal team meetings.

## **Project Definition**

There are two stages in defining a project. The first is identifying an entrepreneurial opportunity to investigate and the second is to form a team. Each team is responsible for carrying out these stages. There is a Brown Bag Lunch on October 12 from 12-1 in S180 to help you get started thinking about this process. We also offer several Sandbox Seminars to help students who are interested in identifying opportunities. Each seminar will be devoted to a general space, such as the internet, in which ventures might be located. There will be several panelists who will discuss the space and how to succeed in it, followed by discussion of ideas that potential students in S356 are considering, and ending with a mixer in which potential students can mix with each other and the panelists, to discuss common interests and explore team formation. Some project ideas may be submitted by entrepreneurs and venture capitalists outside the school. Descriptions of these projects will be added to the S356 Student Interest Form (circulated by Yuri Woo) as they become available. The S356 Student Interest Form is a spreadsheet that includes the names of students interested in the course, including interests, contact info (email and phone), and other comments. Students are strongly encouraged to use this mechanism to initiate contact with other potential teammates. See *Forming Teams* (Related Link on the S356 website) for more details, including the schedule of events and how to join and get emails of the spreadsheet.

## **Grading**

The course grade will be determined as follows: (In many of the categories, there will be both a team component to the grade and an individual component.)

### Winter Quarter

Preparations for and contributions to class sessions and section seminars	40%
Preparations for and contributions to formal team meetings	30%
Final Memos	20%
Continuation credit*	<u>10%</u>
	100%

### Spring Quarter

Preparations for and contributions to class sessions and section seminars	35%
Preparations for and contributions to formal team meetings	20%
Final Oral Presentation to panel	25%
Final Written Report (approximately 20 pages)	<u>20%</u>
	100%

*Timing of Grades:* All students continuing to the Spring Quarter will receive an incomplete grade for the Winter Quarter (S356). All grades for students taking the Winter and Spring Quarters will be assigned at the end of Spring Quarter. The same grade will be recorded for both quarters (S356 and S366). On quarter cannot be P/F while the other is graded.

*\*Continuation Credit:* You are strongly encouraged to complete both quarters, as this provides you the opportunity for maximum learning. However, as a result of both student and

instructor assessment, some teams will not continue from the Winter Quarter to the Spring Quarter. Those continuing will be given a 10% continuation credit in the Winter Quarter, and those not continuing will receive no continuation credit and a grade only for the Winter Quarter. Teams' results at the end of Winter Quarter are largely works in progress and are usually tightly grouped. The combination of such a grouping and the continuation credit has historically led to a substantial portion of the students who exit the class after Winter Quarter receiving a grade of LP (or U). Thus, while students not continuing through Spring Quarter will not necessarily receive a grade of LP or worse, they are very likely to receive such a grade.

*Attendance:* The course requirements are that you prepare for and actively engage in all class sessions, section seminars, and formal team meetings. *Any unexcused absence will adversely affect your grade.* Furthermore, even excused absences are likely to adversely affect your grade, because the extent and quality of your engagement in the section seminars and instructor meetings plays a huge role in your grade, and, if you are not there, you obviously cannot be engaged. Your instructor(s) may specify a mechanism for you to demonstrate your engagement for the portions of seminars and meetings that you must miss.

### **Pass/Fail Option**

The GSB has a different grading system (H, HP, P, LP, U) from the rest of the university. Because there is no required consistency in the way in which other academic departments translate these GSB grades to their students' transcripts, we encourage non-GSB students to take this class pass/fail. (Non-GSB students should note that Pass/Fail forms are due by 4PM on Wednesday, January 20, 2010, and should contact Yuri Woo ([woo\\_yuri@gsb.stanford.edu](mailto:woo_yuri@gsb.stanford.edu)) to receive an approved form.)

We expect all GSB (MBA and Sloan) students to take the course for a grade, because the level of engagement and learning is much higher for those who take the course for a grade. However, GSB students are allowed to petition to take the course pass/fail, based on extenuating circumstances at the discretion of the instructor.

### **Professional Considerations**

In this course you will have the opportunity to be exposed to entrepreneurs and companies in their early stage of formation. This exposure will be both in the classroom and in the field. These early stage companies are by their nature fragile. Their plans and proprietary technology are critical to their survival. You will be expected to treat this information with the utmost professionalism and protect its confidentiality.

### **Course Instructors**

- Dennis Rohan, PhD, Serial Entrepreneur and Lecturer at GSB since 1973
- Russell Siegelman, Lecturer in Management and Partner, Kleiner Perkins Caufield & Byers
- Steve Ciesinski, Lecturer in Management and Vice President, Strategic Business Development, SRI
- William Meehan, Lecturer in Strategic Management and Raccoon Partners Lecturer for 2009-2010

