

**MGT 308—ENTREPRENEURIAL STRATEGY**  
**Summer I, 2023- Section 01W**

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**Course Description:** This course introduces students to the challenges of owning, operating, and marketing a successful small business and the need for entrepreneurial focus in large firms.

**Prerequisites:** Junior Standing, MGT 305, MKT 306

**Course Student Learning Outcomes:**

1. Identify the challenges of starting/acquiring, financing, and operating a successful small business.
2. Understand various business functions such as company structures, market analysis and plans, management, operations, and financial planning/reporting from the perspective of an entrepreneur and small business owner.
3. Creating and writing a business plan including the skills required in practical business writing, analysis, and presentation before critical reviewers.
4. Work in teams for a realistic business situation that could be implemented if a student, student team, or other entrepreneur choose to do so. This includes basic team disciplines for managing and completing projects over extended time periods.

**College of Business Student Learning Outcomes:**

1. Students will demonstrate proficiency in spoken communications by delivering clear and well-structured business presentations.
2. Students will demonstrate proficiency in written communications by creating clear and well-structured business documents.
3. Students will identify and evaluate ethical business issues.
4. Students will identify and evaluate global business challenges.
5. Students will be analytical problem solvers in business environments.

**Course Text:** No textbook required

**Communication:** The main means of communication for this course will be via email—I check my email several times per day. If you email me a question that I consider might benefit the rest of the class, I will email the question with a response to the entire class. I do not use all the functions available on D2L. Primarily, I will be sharing with you interesting websites and other learning aids and we will be conducting our discussions (see below) through the “discussion” space in D2L. Also, you will be submitting your assignments in D2L.

**Course Grading:**

- Business plan: 100%
  - Opportunity recognition (20%)
  - Marketing and operations plan (20%)

- Financial feasibility and sustainability plan (20%)
- Final Business plan (40%)

**General Guideline for Assignments:** Business plans (NOT discussion boards) may be done in teams of up to 5 members and must be submitted via D2L; please note that all assignments will be analyzed for plagiarism). You only need to hand-in one assignment for all the individuals on the team—in other words, each team member does not have to hand-in the assignment as I will give grades to all those whose names appear on the received document. Peer evaluations only need to be emailed to me if you feel that a member is performing sub-par work. In other words, I will follow a ‘management by exception’ policy for the evaluations; all members shall receive the highest score UNLESS peers submit an evaluation with sub-par ratings. The same team members need NOT be on all assignments—you may have different team composition for the different assignments. The following formatting guidelines for all written assignments should be used: typed using 12-point Times New Roman font, double spaced, one-inch margins all around, page numbering on bottom of page, no header or footer, and student name, assignment information, and date in upper left-hand corner. Also, make sure to save your work in such a way that identifies you.

**Final Business plan:** The purpose of this assignment is for you to analyze the environment and exercise your creativity and ability to discover and exploit opportunities by using concepts and tools from many business disciplines such as marketing, operations, finance, accounting, law, and management. This assignment requires that you develop detailed knowledge of the practical business world and an understanding of how the different business disciplines come together in a cohesive manner. The plan will be graded based upon creativity, timeliness, specificity, depth and breadth of analyses, and SUPPORT (qualitative and quantitative) for your business idea, as well as your team members rating of your contribution. Please refer to the attached business plan outline for the structure of your business plan. Please note that the plan is divided into the following sections: opportunity, marketing and operations, finance, and final business plan.

I am willing to review one (1) draft of each of your sections prior to final submission. Typically, I take no more than 24 hours to review your work and offer you detailed feedback. Please make sure to allow yourself sufficient time to then address my comments. I strongly suggest you take advantage of the opportunity for me to review your work; typically, groups who request my feedback and address my concerns obtain significantly higher grades than those who do not. However, should you request my feedback and NOT address my concerns in the final draft, your grade will be negatively affected; please keep in mind that reviewing your work takes plenty of time and effort which I am more than happy to do for students who want to put in the effort.

**Access and Navigation:** You will need your campus-wide ID (CWID) and password to log into the course. If you do not know your CWID or have forgotten your password, contact the Center for IT Excellence (CITE) at 903.468.6000 or helpdesk@tamuc.edu. Note: Personal computer and internet connection problems do not excuse the requirement to complete all course work in a timely and satisfactory manner. Each student needs to have a backup method to deal with these inevitable problems. These methods might include the availability of a backup PC at home or work, the temporary use of a computer at a friend's home, the local library, office service companies, Starbucks, a TAMUC campus open computer lab, etc.

**Students with Disabilities:** The Americans with Disabilities Act (ADA) is a federal anti-discrimination statute that provides comprehensive civil rights protection for persons with disabilities. Among other things, this legislation requires that all students with disabilities be guaranteed a learning environment that provides for reasonable accommodation of their disabilities. If you believe you have a disability requiring an accommodation, please contact the Office of Student Disability Resources and Services, Texas A&M-Commerce, Gee Library, Room 132 – Phone (903) 886-5150 or (903) 886-5835 – Fax (903) 468-8148 – StudentDisabilityServices@tamu-commerce.edu

**Campus Concealed and Carry:** Texas Senate Bill - 11 (Government Code 411.2031, et al.) authorizes the carrying of a concealed handgun in Texas A&M University-Commerce buildings only by persons who have been issued and are in possession of a Texas License to Carry a Handgun. Qualified law enforcement officers or those who are otherwise authorized to carry a concealed handgun in the State of Texas are also permitted to do so. Pursuant to Penal Code (PC) 46.035 and A&M-Commerce Rule 34.06.02.R1, license holders may not carry a concealed handgun in restricted locations. For a list of locations, please refer to (<http://www.tamuc.edu/aboutUs/policiesProceduresStandardsStatements/rulesProcedures/34SafetyOfEmployeesAndStudents/34.06.02.R1.pdf>) and/or consult your event organizer). Pursuant to PC 46.035, the open carrying of handguns is prohibited on all A&M-Commerce campuses. Report violations to the University Police Department at 903-886-5868 or 9-1-1.

**University nondiscrimination statement:** A&M-Commerce will comply in the classroom, and in online courses, with all federal and state laws prohibiting discrimination and related retaliation on the basis of race, color, religion, sex, national origin, disability, age, genetic information or veteran status. Further, an environment free from discrimination on the basis of sexual orientation, gender identity, or gender expression will be maintained.

**Code of Student Conduct:** All students will follow the tenets of common decency and acceptable behavior conducive to a positive learning environment. See Student's Handbook, Rules, and Procedures, Code of Student Conduct <http://www.tamu-commerce.edu/studentlife/guidebook67.pdf>. College of Business professors do not tolerate **plagiarism** and other forms of academic **dishonesty**. Instructors “are expected to uphold and support student integrity and honesty by maintaining conditions that encourage and enforce academic honesty. Conduct that violates generally accepted standards of academic honesty is "Academic dishonesty." **It includes, but is not limited to, plagiarism (the appropriation or stealing of the ideas or words of another and passing them off as one's own), cheating on exams or other course assignments, collusion (the unauthorized collaboration with others in preparing course assignments), and abuse (destruction, defacing, or removal) of resource material.**” See 13.99.99.R0.10 Academic Honesty at [http://www.tamuCommerce.edu/administration/Rules%26Procedures/rules\\_procedures.asp?RID=97](http://www.tamuCommerce.edu/administration/Rules%26Procedures/rules_procedures.asp?RID=97). In accordance with the Texas A&M University-Commerce Code of Student Conduct Section 5.b [1, 2, 3], the penalties for students guilty of academic dishonesty include **disciplinary probation, suspension, and expulsion. Also, you will receive an “F” for this course. Please be aware that it is YOUR responsibility to ensure that any document**

**that contains your name follows these guidelines; all group members will receive the same sanction regardless of who specifically incurred in the infraction.**

## **Course Schedule**

The schedule is structured so that you can see what we will be covering during the live session (which will also be recorded), discussions and/or assignments that are due that day, and videos and resources you need to cover prior to the following class. Please DO NOT limit yourself to the suggested readings; the web is full of interesting and informative resources for you to learn about the topics covered in this course, use them!

### **Good general resources**

- Business plans: [https://ocw.mit.edu/courses/15-s21-nuts-and-bolts-of-business-plans-january-iap-2014/video\\_galleries/lecture-videos/](https://ocw.mit.edu/courses/15-s21-nuts-and-bolts-of-business-plans-january-iap-2014/video_galleries/lecture-videos/)
- University of Chicago: <https://polsky.uchicago.edu/polsky-on-demand/>
- Small Business Administration resource videos: <https://learn.sba.gov/dashboard>
- Stanford: <https://www.youtube.com/watch?v=CBYhVcO4WgI>
- Stanford: <https://ecorner.stanford.edu/videos/>
- Steve Blank: <https://steveblank.com/>
- Udacity free course: <https://www.udacity.com/course/how-to-build-a-startup--ep245>
- Design thinking resources: <https://www.ideo.com/pages/design-thinking-resources>

### **June**

Prior to our first live session, watch and think about concepts from the following links:

- <https://www.shopify.com/blog/what-is-entrepreneurship>
- <https://online.stanford.edu/what-is-entrepreneurship>
- <https://entrepreneurhandbook.co.uk/entrepreneurship/>
- <https://hbr.org/2013/01/what-is-entrepreneurship>
- <https://www.coursera.org/articles/what-is-entrepreneurship>
- <https://online.hbs.edu/blog/post/how-to-identify-business-opportunities>
- <https://www.productmarketingalliance.com/8-ways-to-identify-opportunities-in-the-market/>
- <https://entrepreneurbeginnings.com/identify-opportunities-business-world/>
- <https://hbr.org/2011/09/entrepreneurs-find-opportunity>
- <https://www.entrepreneur.com/growing-a-business/5-tips-for-recognizing-a-meaningful-business-opportunity/349668>

Class 1; Monday 3: Live session @ 7PM: Course overview and expectations; opportunity recognition and value creation; Researching and understanding market trends

- Please introduce yourselves to the rest of the class using “virtual office” and start forming groups ASAP.

For next class, watch and think about concepts from the following links:

- <https://www.semrush.com/blog/uncover-market-trends/>
- <https://buddypunch.com/blog/effective-ways-track-trends/>
- <https://cocsbdc.org/news/10-tips-for-staying-on-top-of-trends/>
- <https://www.inc.com/john-hall/7-ways-to-identify-and-evolve-with-industry-trends.html>
- <https://www.forbes.com/sites/bernardmarr/2016/08/16/how-to-use-analytics-to-identify-trends-in-your-market/?sh=391936d82eff>
- <https://www.coursera.org/articles/market-analysis>

Class 2; Friday 7: For next class, watch and think about concepts from the following links:

- <https://www.businessnewsdaily.com/4-creating-effective-business-marketing-plan.html>
- <https://visme.co/blog/marketing-plan/>
- <https://www.forbes.com/sites/theyec/2019/11/19/preparing-a-great-marketing-section-for-your-business-plan/?sh=74972d52844a>
- <https://www.sba.gov/business-guide/manage-your-business/marketing-sales>
- <https://asana.com/resources/marketing-plan>

Class 3; Monday 10: Live session @ 6PM: Marketing and operations plans

Class 4; Friday 14: **Due:** Opportunity recognition

For next class, watch and think about concepts from the following links:

- <https://www.business.com/articles/6-elements-of-successful-financial-plan/>
- <https://community.thriveglobal.com/5-financial-considerations-to-make-when-starting-a-business/>
- <https://arrestyourdebt.com/financial-considerations-as-an-entrepreneur/>
- <https://study.com/academy/topic/financial-planning-for-entrepreneurs.html>
- <https://upmetrics.co/blog/write-financial-section-startup-business-plan>

Class 5; Monday 17: Live session @ 6PM: Financial plan

Class 6; Friday 21: **Due:** Marketing and operations plan

Class 8; Friday 28: **Due:** Financial Plan

## July

Class 10; Wednesday 3 (last day of class): **Due:** Final Business Plan

<b>Business Plan</b>	<b>Far Exceeds Standards</b>	<b>Exceeds Standards</b>	<b>Meets Standards</b>	<b>Fails to Meet Standards</b>
<p><b>Executive Summary (10%)</b> A compelling new venture concept should be sold in just a few summarized pages. Rarely will an investor read past the executive summary unless a clear opportunity is presented.</p>	<p>Is able to articulate the new venture opportunity and present a highly convincing argument for the success of the new venture.</p> <p style="text-align: center;"><b>(10)</b></p>	<p>Is able to articulate the new venture opportunity and present a highly convincing argument for the success of the new venture.</p> <p style="text-align: center;"><b>(8)</b></p>	<p>Is able to articulate the new venture opportunity and present a highly convincing argument for the success of the new venture.</p> <p style="text-align: center;"><b>(7)</b></p>	<p>Is able to articulate the new venture opportunity and present a highly convincing argument for the success of the new venture.</p> <p style="text-align: center;"><b>(6)</b></p>
<p><b>The Team (5%)</b> “It’s better to have an A team and a B idea than a B team and an A idea”. Explain how the team members will contribute to the success of the new venture.</p>	<p>Detail how each member’s competencies individually and collectively enhance the probability of the new venture success.</p> <p style="text-align: center;"><b>(5)</b></p>	<p>Detail how each member’s competencies individually and collectively enhance the probability of the new venture success.</p> <p style="text-align: center;"><b>(4)</b></p>	<p>Roughly explains how general competencies individually and/or collectively enhance the probability of the new venture success.</p> <p style="text-align: center;"><b>(3.5)</b></p>	<p>Is not able to explain how each member’s competencies individually and/or collectively enhance the probability of the new venture success.</p> <p style="text-align: center;"><b>(3)</b></p>
<p><b>Market analysis (20%)</b> The overall analysis should include an environmental and industry analysis, a detail of the target market, a SWOT analysis, and an analysis of the competitors strategies (marketing P’s).</p>	<p>Detailed analysis of the industry and future trends, the target market and their profile, a SWOT analysis, and a detailed analysis of the main competitors strategies (the P’s of the most direct 5-7 competitors).</p> <p style="text-align: center;"><b>(20)</b></p>	<p>Detailed analysis of the industry and future trends, the target market and their profile, a SWOT analysis, and a detailed analysis of the main competitors strategies (the P’s of the most direct 5-7 competitors).</p> <p style="text-align: center;"><b>(16)</b></p>	<p>Detailed analysis of the industry and future trends, the target market and their profile, a SWOT analysis, and a detailed analysis of the main competitors strategies (the P’s of the most direct 5-7 competitors).</p> <p style="text-align: center;"><b>(14)</b></p>	<p>Weak/ vague analysis of the industry and future trends, the target market and their profile, a SWOT analysis, and a detailed analysis of the main competitors strategies (the P’s of the most direct 5-7 competitors).</p> <p style="text-align: center;"><b>(12)</b></p>
<p><b>Marketing Plan (20%)</b> The marketing plan should include the mission, vision, objectives (specific), and the P’s.</p>	<p>Very detailed and extremely cohesive strategy of product, price, promotion, and place (dist. / location).</p> <p style="text-align: center;"><b>(20)</b></p>	<p>Detailed and cohesive strategy of product, price, promotion, and place (dist. / location).</p> <p style="text-align: center;"><b>(16)</b></p>	<p>Broad and somewhat integrated strategy of product, price, promotion, and place (dist. / location) strategy</p> <p style="text-align: center;"><b>(14)</b></p>	<p>Vague and non-integrated strategy of product, price, promotion, and place (dist. / location).</p> <p style="text-align: center;"><b>(12)</b></p>

<p><b>Manufacturing and operations plan (10%)</b> The successful manufacturing of a product or offering of a service requires a detailed analysis of the product/service being offered, the infrastructure required to manufacture the product or offer the service, the specific equipment needed, and a detail of the production plan or sequence of the service.</p>	<p>Very detailed explanation of the manufacturing process and/ or the offering of the service. Specific details of required infrastructure and equipment, a list of providers/ suppliers and a specific explanation of the production process or sequence of the service.</p> <p style="text-align: center;"><b>(20)</b></p>	<p>Detailed explanation of the manufacturing process and/ or the offering of the service. Include details of required infrastructure and equipment, a list of providers/ suppliers and an explanation of the production process or sequence of the service.</p> <p style="text-align: center;"><b>(16)</b></p>	<p>Explanation of the manufacturing process and/ or the offering of the service. General infrastructure requirements and equipment, a list of providers/ suppliers and a broad explanation of the production process or sequence of the service.</p> <p style="text-align: center;"><b>(14)</b></p>	<p>Vague explanation of the manufacturing process and/ or the offering of the service.</p> <p style="text-align: center;"><b>(12)</b></p>
<p><b>Financial Analysis (20%)</b> In order to financially assess a venture, it is important to accurately calculate the initial investment required, a break-even point, pro-forma cash flows, and the return on investment.</p>	<p>Detailed, break-down of initial investments, break-even point, pro-forma income statement, balance sheet, and cash flow (monthly for the first year and yearly for the first 3 years), and ROI. Also includes justifications for capital structure and expected dividend payout.</p> <p style="text-align: center;"><b>(20)</b></p>	<p>Break-down of initial investments, break-even point, pro-forma income statement, balance sheet, and cash flow (monthly for the first year and yearly for the first 3 years), and ROI. Also includes justifications for capital structure and expected dividend payout.</p> <p style="text-align: center;"><b>(16)</b></p>	<p>Broad categorization of initial investments, break-even point, pro-forma income statement, balance sheet, and cash flow (for the first 3 years), and ROI.</p> <p style="text-align: center;"><b>(14)</b></p>	<p>Very vague expected investments and returns.</p> <p style="text-align: center;"><b>(12)</b></p>
<p><b>Critical Risks (5%)</b> Every new venture has risks that may hinder its success or lead to its demise. Therefore, it is important to identify these risks in order to establish mitigation and contingency plans.</p>	<p>Detail the risks (7-10) that may cause problems for the success for the venture and what you can do to mitigate those risks as well as establish contingency plans to be implemented if need be.</p> <p style="text-align: center;"><b>(5)</b></p>	<p>Detail the risks (4-7) that may cause problems for the success for the venture and what you can do to mitigate those risks as well as establish contingency plans to be implemented if need be.</p>	<p>Detail the risks (1-3) that may cause problems for the success for the venture and what you can do to mitigate those risks as well as establish contingency plans to be implemented if need be.</p>	<p>Fails to consider the risks that may cause problems for the success for the venture.</p> <p style="text-align: center;"><b>(3)</b></p>

		<b>(4)</b>	<b>(3.5)</b>	
<p><b>Peer evaluation (10%)</b> I expect that all members of a team will put forth relatively the same amount of effort towards the homework. In order to secure equity, I want each member to rate the other members on a scale from 1-4 with 4 being the highest score for exceptional work and collaboration.</p>	<p>The peer performed exceptional work, eagerly collaborated on the business plan and delivered what was agreed upon.</p> <p style="text-align: center;"><b>(10)</b></p>	<p>The peer performed good work, collaborated on the business plan and delivered what was agreed upon.</p> <p style="text-align: center;"><b>(8)</b></p>	<p>The peer performed average work, on occasion collaborated on the business plan and delivered less than what was agreed upon.</p> <p style="text-align: center;"><b>(7)</b></p>	<p>The peer performed mediocre work, did not collaborate on the business plan and did not deliver what was agreed upon.</p> <p style="text-align: center;"><b>(6)</b></p>



## **Business Plan**

### **Executive Summary**

The team: Who are they, experience, the role of each, and percent ownership?

The product/ service: What are you offering (characteristics) and benefits (differentiation)?

The opportunity: Why do you believe there is an existing demand for the product/ service you are offering?

The offer: How much investment is needed, what percent is being offered, how much debt will the firm have, what is the expected ROI?

### **The Team**

Resume: Each member should have an attached resume.

Organizational structure: Who is reporting to whom?

Assignment responsibility matrix: Who will be in charge of what aspect of the business plan implementation?

### **Market analysis (environmental and internal scanning)**

Environmental analysis: Perform an analysis of the environmental trends. This will aid you in identifying the opportunities and threats used in the SWOT.

Industry analysis: What are the industry tendencies; is the industry growing or contracting? What is the industry size? Include industry attractiveness based on Porter's 5 forces.

Target market: Who is our product/ service targeted towards? Why would they purchase what we have to offer? Why will they give-up their current provider?

Competition analysis: Who are the competitors? What are their strengths and weaknesses? What are their strategies (their 'P's')?

SWOT analysis: Identify the strengths, weaknesses, opportunities and threats. Be as honest as possible. Is your strengths list a lot longer than your weaknesses list?

### **Marketing Plan**

Mission: What is the purpose of your business?

Vision: Where do you see your firm in roughly five years?

Objectives: What specific goals have you established regarding, growth, quality etc.? Are they SMART (specific, measurable, attainable, realistic and time-bound)?

Product: What are your product/ service characteristics?

Price: What price will we establish and why? Will we offer discounts or not? Should we group price or charge tag-on an additional charges (ex. should food or luggage in airlines be included or charged separately)?

Publicity: What strategy will we use? What mediums will we use (TV, radio, newspaper, magazines etc.) as well as the frequency and cost of each?

Location: What location will we choose and why? Did you perform a cost/ benefit analysis?

Distribution: How will we reach the final client? Wholesale, retail, internet...?

### **Manufacturing and operations plan**

The product: Does your product have technical specifications? Does it need a patent? Will there be waste? What are the required materials for manufacturing and who are the potential suppliers? Costs?

Infrastructure/ Facilities: Where will you manufacture and what are the benefits of the location? What technical requirements does the facility need? Size? Cost?

Equipment: What equipment is needed and what are the technical specifications?

Production plan: Is it useful to have a flow diagram of the entire process from once an order is placed through production and finally reaching the client?

### **Financial Analysis**

Investment: What will be invested in and how much will be invested? Don't forget that the initial investment should take into account assets, operational losses and working capital. Keep your eye on details for example permits, deposits (ex. rent), salaries pre-inauguration, transportation etc.

Break-even point: What are the fixed costs, variable costs and sales price? How many units do you need to sell to have a cash flow of \$0. Perform a sensitivity analysis to analyze how the BEP will change under different conditions.

Cash flow: This is the most important financial statement. In order to project a cash flow, you may first need to project the income statements and balance sheets. What will your monthly cash flow be like during the first year and then yearly for the next two years?

Return on Investment: What ROI do you expect? Is it worth the risk?

### **Critical Risks**

What possibly could happen that could significantly impact the potential success of this business? Can you create a mitigation plan for these risks? Can you create a contingency plan for these risks?