

COURSE OUTLINE

1. **Course Number/Title:** Bus204, Introduction to Entrepreneurship

Credits: 3 hours

2. **Course Description:** This course serves to construct a foundation of analytical and mindset skills which will support the design and launch of an entrepreneurial venture. First, it introduces the student to a set of practical skills useful in summarizing, monitoring, and predicting business performance. Secondly, it invites an exploration of the outlook and personal character related to nurturing a successful lifestyle of entrepreneurship.

The first component of Introduction to Entrepreneurship is a study of financial statements and the use of Microsoft Excel software which facilitates the presentation of accounting data. Students will collect financial information on three companies of their own choosing and use the features of Excel to conduct a ratio analysis.

In the second component of the course, students explore fundamental questions about the cultivation of character. As a further point of inquiry, they examine the ways in which personal values translate into successful business practices.

3. **Course Goals:** This course encourages the student to develop an expertise in using Microsoft Excel to present and analyze financial data. It also invites an exploration of life-defining personal values and habits. In completing the curriculum, students will consider the financial and personal resources necessary to convert the vision of an opportunity into a sustainable business enterprise.

4. **Course Learning Outcomes:** This 10-session curriculum equips the student with a set of skills in ratio analysis and financial reporting. In addition, it lays the groundwork for cultivating the habits of successful business leadership in the context of also living an enriched and meaningful life. After completing this course, the student will be able to:

1. Enter financial data into a Microsoft Excel spreadsheet
2. Sort and filter data in Excel
3. Create visual representations of data
4. Use the functions of Excel to organize and interpret the data
5. Perform a financial ratio analysis using accounting data
6. Distinguish between management and leadership
7. Define the habits of independence

8. Explain how the habits of independence can evolve into the habits of interdependence
9. Design strategies for an on-going re-assessment of a business plan
10. Identify the sources of information needed to construct an effective business plan

5. Course Concepts:

1. Excel as a tool for data analysis
2. Presentation of quantitative reports
3. Financial statements
4. Ratio analysis
5. Leadership
6. Cultivating effective personal habits
7. Business strategy and vision
8. Sustaining the entrepreneurial vision

6. Required Texts:

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Bhide, Amar and Howard Stevenson. *Why Be Honest If Honesty Doesn't Pay*. Boston: Harvard, 1990. HBR Reprint 90501. Which one?

Collins, Jim. *Good to Great: Why Some Companies Make the Leap ...and Others Don't*. New York: Collins Business; 2001. ISBN-13 978-0066620992

Covey, Stephen. *The 7 Habits of Highly Effective People*. New York: Free Press, 2004. ISBN: 978-0-7432-6951-3

Friedlob, George and Franklin Plewa. *Financial and Business Statements*, 3rd ed. New York: Barrons, 2006. ISBN: 978-0-7641-3418-0

Frye, Curtis. *Step by Step Microsoft Excel 2003*. Microsoft Press, 2004. ISBN 0-7356-1518-7

Zaleznik, Abraham. *Managers and Leaders: Are They Different?* Boston: Harvard, 1977. HBR Reprint R0401G

7. Recommended Reading

Cohen, William A. *The New Art of the Leader*. New York: Prentice Hall Press, 2000. ISBN 0-7352-0359-8

Gerber, Michael E. *The E. Myth Revisited*. New York: Harper Business, 1995. ISBN 0-88730-728-0

Course Syllabus

Course Number: 101

Course Title: Introduction to Entrepreneurship

Faculty: Debbie A. Evercloud, Ph.D.

Class Participation and Performance Requirements:

Students are ultimately responsible for participating in the course through the following academic activities: uploading assignments, posting to discussion topics, responding to instructor inquiries, submitting written papers and taking quizzes and exams. Students are expected to be involved in ongoing instructional activities based on the recommended schedule for course completion as detailed in the syllabus. In order to actively participate in a course, Students must make contact with their faculty mentor on a regular basis through one of the following methods:

- Uploading weekly written discussion topic responses into the Discussion section of the course delivery system for grading by your Instructor.
- Participation in discussion threads with the instructor and other students.

Posting of other assignments as identified by the course instructor.

Assessments:

1. Paper 1 due at the end of Session 6. Write a 1000-word essay addressing the following topic:

The skills of management differ from the skills of leadership. Why are both important in a business? Can one person be effective in both tasks? Which one of these two is your weakest area? How will you address this weakness? Cite some examples provided in your assigned reading (or in other materials) that suggest a path of improvement.

2. Paper 2 due at the end of Session 10. Write a 1000-word essay addressing the following topic as it relates to the skills of entrepreneurship:

In *The 7 Habits of Highly Effective People*, Steven Covey suggests that we consider the meaning of the word “proactive” (Habit 1). Describe a situation in your life in which you were “reactive” rather than “response-able”. (Refer to Covey’s discussion on pages 71 -72). In what ways might the outcome have been more beneficial had you been proactive? How will you encourage your employees to develop the habit of being proactive?

3. Problem Assignments. You will complete two problem assignments employing your skills in the use of Excel.
4. Responses to Discussion questions.
5. The course includes a mid term quiz and a final exam

Assessment Percentages:

Written assignments (10%)
Paper 1 (15%)
Paper 2 (15%)
Responses to Discussion questions (25%)
Mid-term quiz (10%) taken at end of Session 5
Final exam (25%) taken at end of Session 10

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Yorktown University official grade and writing rubrics are located at
http://www.yorktownuniversity.com/grad_rubrics.cfm

Academic Integrity

Available both in the University Catalog and student handbooks.

Recommended Schedule for Course Completion

Session 1: Setting up a Microsoft Excel Spreadsheet

Assignment:

Required reading:
Frye, Chapters 1-3

Written assignments:

Visit this website www.prars.com
Using the ordering option on the website, request annual reports from three different companies to be shipped to you at no charge.

They should arrive within five days of your order. They will be used in the assignments for Sessions Three and Four. If shipping materials to you causes problems, select a company annual 10-K filing with the U.S. Securities and Exchange Commission. Go to www.secinfo.com, enter the name or stock symbol of the companies you select, click on that company's name and then access a listing of filings these companies have made. You will be asked to "Sign Up as a New User." Select a password that you'll use when accessing your account, and save the password in case you forget it.

Open the Business Trip Budget practice file on the Step-By-Step companion CD, and modify the expense numbers to see how the "under budget" amount varies with changes in the expense items. Practice changing the cell formats, such as changing the number of decimal places or the font type.

Discussion Questions (Choose one Topic)

1. Describe a business situation in which each of the following Excel functions would allow Excel to give you the information you need.
 - a. *Sum*
 - b. *Average*
 - c. *Count*
 - d. *Max*
 - e. *Min*

2. The representation of quantitative data in a chart or graph can often have more of an impact than can a table of numbers. Create a chart or graph based on a real-world data set you have entered into an Excel spreadsheet. Write a one or two sentence description that summarizes the story told in the chart.

Learning Outcomes: 4.1

Session 2: Sorting Data

Assignment:

Required reading:

Frye, Chapters 5 and 9

Written assignment

Go to the website <http://tinyurl.com/yuvplo> and select "State Median Family Income by Family Size" in an Excel file. Sort the data in the spreadsheet by Column A so that all 2-person families appear together row-by-row, all 3-person families appear together row-by-row, and so on.

Discussion Question: (Choose one Topic)

1. What other ways might there be of sorting the census data to highlight the patterns of income and geography?
2. Once you sort the census data, describe ways that it might be useful to you in conducting market research for your entrepreneurial endeavor.

Learning Outcome: 4.2

Session 3: Creating Visual Presentations of Data

Assignment:

Required reading

Frye, Chapters 10 and 11

Written assignments:

Go to the website <http://www.bea.gov/national/index.htm#gdp>.

Select the Excel file for current-dollar and “real” GDP.

Use the Chart Wizard to create a line graph showing the growth of current-dollar GDP. Submit this file to your instructor as an e-mail attachment.

Enter the balance sheet data from one of the annual reports you have received. Use the Chart Wizard to create a pie chart to show the breakdown of Total Assets into the various component categories. Submit this file to your instructor as an e-mail attachment.

Discussion Questions:

Excel files can contain volumes of quantitative information, but the story told by the numbers is read most easily when presented in the form of graphs or charts. In the annual reports that you have viewed, how have graphs and charts been used effectively? What are the risks in using visual representations exclusively, without looking at the actual numbers behind them?

Learning Outcome: 4.3

Session 4: Financial Statements

Assignments:

Required reading:

Friedlob and Plewa: Chapters 1–6

Written assignment:

For each of the three companies whose annual reports you now have seen, create a spreadsheet with the information from their income

statements. For one firm, create formulas that show what would happen if revenue increased by 10 percent but costs stayed the same. For another, create formulas to show what would happen if revenue stayed the same but all costs decreased by 5 percent. For the third company, create formulas to show what percentage of total cost is represented by each component category of cost. (For example, interest expense is xx% of total cost; wages are xx% of total cost, etc.)

Discussion Questions: (Choose one)

1. Why is the information in the income statement considered to be more important than the information in the balance sheet?
2. Can the auditor's opinion be considered an endorsement of the long-term viability of an enterprise? Why or why not?

Learning Outcome: 4.4

Session 5: Ratio Analysis

Midterm Quiz, located in Assignment, is taken at the end of this session

Assignments:

Required reading:

Friedlob and Plewa: Chapters 7, 8, 11

Written assignment: Use the most recent data in the annual reports to calculate the following financial ratios for two different firms. Show your calculations in the form of an Excel spreadsheet. What do these ratios tell you about the prospects for each company? Write a commentary of 500–700 words comparing the two firms. Submit both the spreadsheet and your interpretive commentary to your instructor for a grade.

Ratios:

Current Ratio

Quick Ratio

Sales/Receivables

Return on Assets

Return on Equity

Operating Ratio

Economic Value Added

PE Ratio

Times-Interest-Earned

Total Asset Turnover

Discussion Questions: (Choose one topic)

1. What might account for a circumstance in which a firm's profitability ratio remained constant, yet its price-earnings ratio declined?
2. Which ratio would you find most helpful to you when deciding whether a firm has extended itself beyond a "safe" level of debt: the quick ratio, or times-interest-earned? Provide a justification for your choice.

Learning Outcomes: 4.5

Session 6: Practicing the Skills of Leadership and Self-Assessment

Assignment:

Required reading:
Zaleznik (Entire Article)

Paper 1 due at the end of this session

Discussion Question:

Zaleznik argues that leaders and managers "differ in motivation, personal history, and in how they think and act". (Zaleznik, 1977, p.2) One approach to running a business is to stay focused on a particular outcome (such as achieving a 10 percent market share), and then continually aim for that goal even if it means changing other elements of your strategy in order to make it happen. An alternative approach is to devise a strategy or an approach that you think will lead to successful outcomes, and then to stay focused on implementation of the strategy without worrying too much about intermediate results. Which of these approaches is more consistent with the practice of leadership? Which one are you most inclined to use? What are the advantages and disadvantages of recruiting others to your enterprise who have the opposing perspective?

Learning Outcomes: 4.6

Session 7: Entrepreneurship and Independence

Assignment:

Required reading:
Covey, *The 7 Habits of Highly Effective People*, pp. 1-182.

Discussion Question:

Write a draft of your personal mission statement. In what ways would the creation of a successful entrepreneurial venture serve to further your personal mission?

Learning Outcomes: 4.7**Session 8: Entrepreneurship and Interdependence****Assignment:**

Required reading

Covey, pp.183—319.

Discussion Question:

Several individuals are profiled in “Reawakening your Passion for Work”. In what ways do these individuals display the habits of independence (Habits 1 through 3 as defined by Stephen Covey)?

Learning Outcomes: 4.8**Session 9: Level 5 Leaders and the Hedgehog Concept****Assignment:**

Required reading

Collins, Good to Great, pp. 1-143.

Discussion Question: (Choose one topic)

1. Why does implementation of the hedgehog concept require leaders who have the habits of interdependence?
2. Jim Collins describes the Stockdale Paradox which characterized the leadership approach in the “good to great” companies. In what ways does this leadership style increase the likelihood of performing the Quadrant II activities described by Stephen Covey in Habit 3 (Put first things first)?

Learning Outcomes: 4.9**Session 10: Converting a Vision into a Plan****Assignment**

Required reading

Friedlob and Plewa: Chapter 13

Paper 2 due at the end of this session

Discussion Question:

The Friedlob and Plewa reading outlines the steps necessary in creating a business plan. List the key pieces of information that go into creating a business plan and identify how both the skills of management and the skills of leadership are essential in launching a successful entrepreneurial venture.

Learning Outcomes: 4.10

Final Exam completed at the end of this session