BUSN 3320. New Venture Creation & Mgmt., Spring 2023
Instructor: Erik Pavia – elpavia@utep.edu
Class Time: MW 1:30 pm - 2:50 pm, College of Business Administration Room 329
Student Hours: MW 3 pm - 4 pm, by appointment. See Student Hours policy below.

Please carefully and thoroughly read the syllabus before class starts.

Course Description
The course offers knowledge and skills to help aspiring entrepreneurs launch, finance, and manage their own viable ventures. It examines issues related to accounting, financial, and legal regulatory matters. It provides an overview of managing the value chain and human resource management tasks.

The course will examine these issues through the lens of tech startups.

Course Learning Objectives
1. Understand and apply the frameworks commonly used by startups to manage their business operations.
   - By the end of this course, you should be able to identify and explain these operations frameworks. You will learn this through reading assignments and class lectures. Your learning will be assessed with quizzes and the final exam.
2. Analyze and evaluate customer problems and market opportunities.
   - By the end of this course, you should be able to examine customer problems and market opportunities and judge the value of them based on basic research. You will learn this through reading assignments, class lecture, and projects. Your learning will be assessed with quizzes, the final exam, and graded project submissions.
3. Analyze, evaluate, and create viable business models based on their unit economics and market size.
   - By the end of this course, you should be able to question the viability of business models, appraise their strengths and weaknesses, and develop your own business models. You will learn this through reading assignments, class lecture, and projects. Your learning will be assessed with quizzes, the final exam, and graded project submissions.

Course Materials: There is no unified textbook for new ventures. This course will use a handful of influential books to provide context on the myriad of topics that a new venture must consider. Most of the significant material is not available in books and will be covered in lectures or supplementary reading such as blog posts.

Books
Required:
- Zero to One by Peter Thiel (New paperback: $15 on Amazon)
- The Founder’s Dilemmas by Noam Wasserman (New paperback: $18 on Amazon)
- The Lean Startup by Eric Ries (New paperback: $19 on Amazon)

Optional but recommended:
- The Innovator’s Dilemmas by Clayton Christensen
- Traction by Gabriel Weinberg & Justin Mares
- The Startup of You by Reid Hoffman & Ben Casnocha

You do not need to buy new copies of these books. You may borrow them, get digital copies, rent them, or buy them used. (Lifehack: I like to buy the Kindle version so I can keep digital highlights. Sometimes when you buy the Kindle version of a book, Amazon lets you add the audiobook at a massive discount.)
Assignments
Please use these deadlines to plan your semester.

• **Project 1: Mock Business Model** - 30% of final grade. Due March 26.
  a. You will create a viable business model in Excel or Google Sheets and a memo explaining your model. The model will include variables such as costs, revenue, market sizing, and basic financial projections. The business model will be graded on correct application of principles learned in class and thoroughness. You will do this project in small groups of 2-3 students.

• **Project 2: Mock Pitch Deck & FAQ** - 30% of final grade. Due April 23.
  a. You will create a compelling, succinct 8-12 slide pitch deck for a hypothetical business. The deck will include basic elements of a pre-seed business pitch. You will also create a more detailed information page giving further detail on the business. Students will be graded on how thorough their analysis is, completeness of the narrative, and the rationale behind decisions presented in the deck. You will not be graded on the “idea.” You will do this project alone.

• **Multiple Choice Final Exam** - 30% of final grade
  a. You will receive a multiple-choice final exam at the end of the semester evaluating your knowledge of material covered in the course. It will be an open book, timed, in-class exam.

• **Quizzes** - 10% of final grade
  a. You will receive 5 multiple-choice pop-quizzes to help you stay accountable to keeping up with material and incentivize you to come to class. Each quiz will be 2% of your grade.

Extra Credit:
• 5 points: Apply to a startup accelerator outside of El Paso, Las Cruces, and Juarez. Prepare and submit a viable application to an accelerator such as Y Combinator or Tech Stars. Your application must meet the accelerator’s application requirements and must be a factually correct submission (e.g., you cannot list fake cofounders or make up a company.) To receive credit, you must provide me with a copy of your application and proof of submission.

• 5 points: Apply for an internship or job at a funded technology startup. Prepare and submit a viable application to a tech startup. The startup must have raised at least a pre-seed round of $200k and must be a private company. Your application must meet the company’s application requirements and must be a factually correct submission (e.g., you cannot list fake credentials.) To receive credit, you must provide me with a copy of your application and proof of submission.

Class Policies
**Laptops:** This course will be dependent on lectures. Due to the distracting nature of large screens and the Internet, laptops will not be allowed in class. Slides and notes will be provided after each class but will not be comprehensive. Bring materials, such as pen and paper, for note-taking. If you need special accommodation for this rule, please contact me.

**Phones:** If you need or want to use your phone for email or messaging, you may do so, but please be courteous to your classmates. I will ask you to step out if your activities become a distraction. I will not allow any live-streaming on Snapchat, Tik Tok, Instagram or similar live-streaming service. Tablet usage is subject to the Laptop Policy.
**Accommodations:** If you have a disability or feel you might have a disability and need assistance, contact the [Center for Accommodations and Support Services](#) (CASS) Office at 747-5148 or go to Room 106 Union East.

**Missed Assignments & Exams:** Late submission of any projects will receive a 0. You may only make up a quiz due to medical emergency or school-related travel (you are on a school team, you are visiting graduate schools, etc.). You may only make up a missed final exam due to medical emergency.

**Attendance:** Class attendance is your responsibility. If you miss class, need to leave early or arrive late, I do not need to know.

**Student Hours:** I don’t have an office, but I am setting aside one hour after class time to meet with students to address course questions, academic development, and career development. To schedule student hours, use [this calendar link](#). We can meet in person on campus. If you are not available during those hours, I can meet over video call. Email me to schedule a time.

**Copyright:** None of the ideas in this class are particularly original. You paid to learn this material, so if you have valuable use for the course material, feel free to do whatever you want with it.

**Academic Dishonesty:** Any student who commits an act of academic dishonesty is subject to discipline. Academic dishonesty includes but is not limited to cheating, plagiarism, collusion, the submission for credit of any work or materials that are attributable in whole or in part to another person without giving sufficient credit, taking an examination for another person, or any act designed to give unfair advantage to a student or the attempt to commit such acts.

For a full copy of the University policy on Academic Dishonesty, see Section 1.2.3 in the [Handbook of Operating Procedures](#).

The University requires that professors report academic dishonesty: it is not within my discretion. Don’t do it.

**Course Material by Week**
This is the first time I teach this course. The schedule may shift as I learn what works and what doesn’t work. Any changes will be to your benefit, i.e., I will reduce workload or shift assignments back. I won’t increase workload or shorten deadlines.

1: January 18 – January 22
Why are tech startups important? What makes tech startups different from other companies?

**Reading:**
*Zero to One*: Chapters 1-3
*Founder’s Dilemmas*: Chapters 1-2

2: January 23 – January 29
The Importance of Founders: what key roles do founders play in the formation and longevity of a company? How do you become a good founder and how do you identify other good founders?

**Reading:**
*Zero to One*: Chapters 6, 8, 14
*Founder’s Dilemmas*: Chapters 3-4
3. January 30 – February 5
Founder Dilemmas: Should you Start a company with others or alone? Discuss finding cofounders, cofounder challenges, and legalities (equity splits, titles, and duties).
Reading:
*Founder’s Dilemmas*: Chapter 6
*Lean Startup*: Intro, Chapter 1

4. February 6 – February 12
Intro to Venture Capital: How does venture capital work? Discuss the VC model and VC incentives.
Reading:
*Founders Dilemmas*: Chapter 9
*Zero to One*, Chapter 7

5. February 13 – February 19
Raising Money from VCs: How do you raise money from VCs? Discuss investor types and strategies for raising money.
Reading:
*Lean Startup*: Chapters 2-3

6. February 20 – February 26
Product Development at a Startup: Lean Design Principles. The Importance of Startup IP
Reading:
*Lean Startup*: Chapters 4-5

7. February 27 – March 5
Launching a Product & Go To Market
How do startups launch a new product or into a new market with limited resources? How do they manage the financial risk of having a failed product launch while balancing for success and survival?
Reading:
*Lean Startup*: Chapters 6-7
*Zero to One*: Chapter 11

8. March 6 – March 12
Metrics for Startups: How should a startup measure success? What do a startups costs and revenues look like? Discuss important financial and product metrics for startups (LTV, CAC, engagement, retention, virality, gross margin, revenue per employee, etc).
Reading:
*Lean Startup*: Chapters 8-10

Spring Break March 13 – March 19

9. March 20 – March 26
Metrics for Startups Continued.
Project 1 Due March 26

10. March 27 – April 2
Company Culture & Recruiting: How do startups find their most important asset: people? How do startups build a company culture that competes against larger incumbents with significantly more resources?
Reading:
Founder’s Dilemmas: Chapter 8
Zero to One: Chapters 9-10

11. April 3 – April 9
Human Resources: What are the HR challenges at startups? Discuss labor costs, immigration, retention, and employment agreements.

12. April 10 – April 16

13. April 17 – April 23
Exits: Startups have various means of exit: failure, acquisition, and IPO. What do they look like, and how do they work?
Zero to One: Conclusion
Project 2 Due April 23

14. April 24 – May 4
Catchup & Review

15. May 8 – May 12
Final Exams