

**PENN STATE GREAT VALLEY
MASTER OF BUSINESS ADMINISTRATION**

BUSAD 575.101 – High Tech Venture Development

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Course Overview/Description:

This course is about how high tech entrepreneurs and intrapreneurs design, develop, test, and market new information technology-based products and services.

Our context will be the global economy, our point of view will be the ubiquity of always available, everywhere information and services, our scope will be intellectual to understand the what and the why and pragmatic to understand the who, when, and how.

Software and information technology products have been major success stories of the second half of the 20th century. Growth has been significant over the past 25 years. What fuels this growth? What formula is used to convert raw ideas into code? How do companies design, develop, and sell software products and services that become financially successful? What are the critical success factors for small start-ups and large established firms? Just as Henry Mintzberg asked: "What do managers do?," we may ask, "How do hi-tech companies do it?" The answer is relevant and has practical implications for industry.

The course will review and examine the factors that have spelled success for high tech entrepreneurs. We will look at cases studies, hear from industry experts, track companies, and examine the entrepreneurship literature to explore this topic.

We will have several high-powered speakers who have each been instrumental in the creation of software, web-based, and high-tech businesses to illuminate the topics. We will use short videos featuring some of the most recognized names in the industry to make key points. We will utilize case studies of entrepreneurial high-tech firms to examine how they found their way in uncharted waters.

Learning Objectives:

After the completion of this course, students will:

Entrepreneurship

- Review the entrepreneurial process.
- Examine the characteristics of entrepreneurs.
- Learn how to set up a high-tech firm.
- Examine various business models that work (and don't work).

- Review and apply the business planning process

New Product Development

- Discuss the process of creating new software and info products/services.

Marketing

- Learn how to convert your R&D efforts into marketable products and services.
- Examine the structure of the software and e-business industry and market; i.e. identify market size, major players, market share; etc.
- Examine marketing channels and how the Web has changed marketing.

Financing and Resources

- Identify the resources needed to start up a high-tech company.

Measurement of Learning Objectives:

(a.k.a., Assignments & Grading)

We will use Penn State's grading system as outlined in the Graduate Degree Program Bulletin:

A (4.00), A- (3.67), B+ (3.33), B (3.00), B- (2.67), C+ (2.33), C (2.00).

The requirements for the course include graded assignments and participation. There are different requirements for obtaining an A, B, or C.

For an A: Majority of assignments evaluated significantly above mean. High participation.

For a B: Majority of assignments evaluated near mean. Modest participation.

For a C: Majority of assignments below mean. Low participation.

	no.	Graded assignments	%	length ¹
a.	1	Lessons Learned	15%	2-3 pages + bullets
b.	1	Case History	40%	6-8 pages
c.	1	Final Project	30%	7-9 pages
d.		Participation	15%	-
e.		Exercises	-	-
		TOTAL	100	

Explanation of graded assignments:

- Lessons Learned: The paper is on common lessons learned from at least (5) entrepreneurs from the Technology Ventures text. First, develop bullet points on the philosophies, actions, and advice provided by each person you choose (one page or less). Next, write a 2-3 page paper on common lessons learned based on the bullets and your reading of the text. The bullet sheets should go in an Appendix to the paper.

¹ 1.5-2 spaced type, plus exhibits if needed

- b. Case History: Each student will select a software or hi-tech services firm and write a short history about it. See Lessons in our class on Angel for more information.
- c. Final (Business Plan) Project: Each student will write a version of a high-level business plan on a high-tech product idea of his or her choice. See Angel for more information.

Explanation of ungraded and other requirements:

- d. PARTICIPATION: Students are expected to participate in discussions and exercises. Class discussions are generated from the readings (articles, text, cases) and relevant organizational experience. You will work as a team to develop a base of knowledge about the software industry and exemplar cases such as Netscape. Effective participation results when the members of the class and the instructor learn based on the insights offered.
- e. EXERCISES: Exercises are not graded but are necessary to complete the course.

Prerequisite(s):

MGMT 501 and BUSAD 537 (formerly M I S 531).

Required Materials/Texts:

The textbooks for this course are:

- Dorf, Richard C. & Byers, Thomas H., Technology Ventures – From Idea to Enterprise Second Edition, McGraw Hill, 2008, ISBN: 978-0-07-352922-2

Readings found on ANGEL: Optional and required readings will be posted for each class in the Lessons folder for the course. The readings may be discussed during the class.

Course Topics:

Module I: The Entrepreneurial Perspective

Week 1	Session 1	Lecture	Course Overview & Introduction The Entrepreneurship Frameworks: The Globe, Silicon Valley, and Great Valley
	Session 2	Lecture	

Module II: Opportunity Recognition and Evaluation

Week 2	Session 3	Guest Speaker	John Louchheim, AWE VP/S&M, Murex Investors Principal, (founder of ICON Solutions, TriSpan, cofounder Keane Assoc)
		Discussion	
Week 3	Session 4	Discussion	The Business Strategy
	Session 5	Case Study	From Idea to Opportunity: Our First Case Study
Week 4	Session 6	Discussion	Entrepreneurial Marketing
	Session 7	Discussion	Intellectual Property

Module III: Gathering Resources

Week 5	Session 8	Guest Speaker Case Study	Dennis McGrath, CFO, PhotoMedex Negotiating Startup Challenges
	Session 9	Lecture	Key Elements of Venture Finance & Teams
	Session 10	Due Guest Speaker Case Study Case Study	Case Study Assignment Josh Kopelman, First Round Capital (founder of Half.com, Infonautics, TurnTide, ...) Initial Public Offerings (IPOs) Venture Capital

Module IV: Managing Ventures

Week 6	Session 11	Guest Speaker Discussion Case Study Case Study	Steve McDonald, CBI Group, HR Principal & People Guru Team Effectiveness Entrepreneurial Leadership Recruiting and Rewards
	Session 12	Discussion Due	Methologies and Processes Lessons Learned Assignment

Conclusions

Week 7	Session 13	Due Class Present	Business Plan Assignment Presentation of Business Plan
	Session 14		Entrepreneurship and You Course Summary

Academic Integrity:

“Academic integrity is the pursuit of scholarly activity free from fraud and deception and is an educational objective of this institution. Academic dishonesty includes, but is not limited to, cheating, plagiarizing, fabrication of information or citations, facilitating acts of academic dishonesty by others, having unauthorized possession of examinations, submitting work of another person or work previously used without informing the instructor, or tampering with the academic work of other students. At the beginning of each course it is the responsibility of the instructor to provide a statement clarifying the application of the academic integrity to that course.” (1997-98 Polices and Rules, A handbook for students, p. 44)

You must cite the source(s) of ideas presented in your work, even if you convey the idea in your own words (e.g., paraphrase or summarize). You must also cite the source(s) of data or statistics in your work, even if it is “common knowledge” or available in multiple locations (cite at least one). Direct quotes should be surrounded by quotation marks and the citation should include the page number where the quote was found. Citations for information taken from websites should include the entire URL (i.e., the complete web address) and the date accessed.

The penalties for academic dishonesty include, but are not limited to, a failing grade on the assignment, an official disciplinary warning, a failing grade for the course, or a temporary or

permanent suspension from the university, depending on the severity of the offense (adapted from Office of Judicial Affairs brochure, "Procedures for the Discipline System," U.Ed. STA 01-088).

Disability Statement:

The Pennsylvania State University encourages qualified persons with disabilities to participate in its programs and activities. If you anticipate needing any type of accommodation or have questions about the physical access provided, please contact Kathy Mingioni at (610) 648-3315 in advance of your participation or visit.

Emergency Closings:

Listen to KYW 1060 AM radio for PSUGV snow code 2581, or call the PSUGV Emergency Closing Hotline (610) 648-3399 for a message regarding campus closings. We will not have class if the campus/building is closed. In the case of closings, class is usually rescheduled for later in the term.

Attendance:

Class attendance is required. If a situation arises that would cause you to miss class, please notify the professor in advance. It is the student's responsibility to make arrangements regarding any missed materials or assignments.

Emergency Evacuation Exercises or Actual Emergency Events:

Periodic fire/evacuation exercises are conducted in all occupied PSU Great Valley buildings. Every PSU Great Valley faculty, staff, and student is expected to exit the building and remain outside until the drill or actual event is completed. Drills are a safe opportunity to test the building emergency plan, insure that the fire alarm is working properly, and allows every employee a chance to experience the procedures.

Guidelines in the Event of a Drill or Emergency:

- Please familiarize yourself with the emergency evacuation plan posted in each classroom.
- Do not use elevators. Use stairs.
- Fire doors close but do not lock or trap a person in an area.
- Should evacuation be necessary, go to the nearest exit or stairway and proceed to a pre-designated evacuation meeting area (150 feet away from building) outside the building. Stay with your instructor and class.
- Please do not leave the meeting area, return to your classroom, or go to your vehicle unless instructed to do so.